

ASSEMBLY, No. 429

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman GREGORY P. MCGUCKIN

District 10 (Ocean)

Assemblyman ERIK PETERSON

District 23 (Hunterdon, Somerset and Warren)

SYNOPSIS

Eliminates payments for unused sick leave earned after effective date; limits carry forward of unused vacation leave; requires suspension and forfeiture of certain payments; limits use of unused sick leave in year before retirement.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning sick leave and vacation leave granted to public
2 employees, and amending and supplementing various parts of the
3 statutory law.

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

7
8 1. Section 44 of P.L.2007, c.92 (C.18A:30-3.5) is amended to
9 read as follows:

10 44. a. Notwithstanding any law, rule or regulation to the
11 contrary, a board of education, or an agency or instrumentality
12 thereof, shall not pay supplemental compensation to any officer or
13 employee for accumulated unused sick leave in an amount in excess
14 of \$15,000 except that an officer or employee who:

15 (1) on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.),
16 or upon the expiration of a collective negotiations agreement or
17 contract of employment applicable to that officer or employee in
18 effect on that date has accrued supplemental compensation based
19 upon accumulated unused sick leave shall, upon retirement, be
20 eligible to receive for any unused leave not more than the amount
21 so accumulated or not more than \$15,000, whichever is greater; or

22 (2) becomes an officer or employee after the effective date of
23 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued
24 supplemental compensation based upon accumulated unused sick
25 leave shall, upon retirement, be eligible to receive for any unused
26 leave not more than the amount so previously accumulated or not
27 more than \$15,000, whichever is greater.

28 Supplemental compensation shall be payable only at the time of
29 retirement from a State-administered or locally-administered
30 retirement system based on the leave credited on the date of
31 retirement.

32 As used in this section, "officer or employee" means an elected
33 official; or a person appointed by the Governor with the advice and
34 consent of the Senate, or appointed by the Governor to serve at the
35 pleasure of the Governor only during his or her term of office; or a
36 person appointed by an elected public official or elected governing
37 body of the political subdivision, with the specific consent or
38 approval of the elected governing body of the political subdivision
39 that is substantially similar in nature to the advice and consent of
40 the Senate for appointments by the Governor of the State as that
41 similarity is determined by the elected governing body and set forth
42 in an adopted resolution, pursuant to guidelines or policy that shall
43 be established by the Department of Education, but not including a
44 person who is employed or appointed in the regular or normal
45 course of employment or appointment procedures and consented to
46 or approved in a general or routine manner appropriate for 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 followed by the political subdivision, or the agency or
2 instrumentality thereof.

3 b. A board of education, or an agency or instrumentality
4 thereof, shall not pay supplemental compensation to any officer or
5 employee for accumulated unused sick leave earned after the
6 effective date of P.L. , c. (pending before the Legislature as this
7 bill) or after the expiration of collective negotiations agreement or
8 an individual contract of employment with a relevant provision
9 applicable to that officer or employee in effect on that date, except
10 that an officer or employee who on the effective date of P.L. ,
11 c. (pending before the Legislature as this bill), or upon the
12 expiration of collective negotiations agreement or an individual
13 contract of employment with a relevant provision applicable to that
14 officer or employee in effect on that date, has accrued supplemental
15 compensation based upon accumulated unused sick leave earned
16 prior to the effective date shall continue to be eligible to receive the
17 amount so accrued based on that sick leave that remains credited on
18 the date of retirement. Supplemental compensation shall be payable
19 only at the time of retirement from a State-administered or locally-
20 administered retirement system based on the leave credited on the
21 date of retirement.

22 c. Payment of supplemental compensation for accumulated
23 unused sick leave shall be suspended if an officer or employee has
24 been indicted for a crime that involves or touches such office or
25 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
26 6.5).

27 Supplemental compensation for accumulated unused sick leave
28 shall be forfeited if an officer or employee is convicted of a crime
29 that subjects the officer or employee to the provisions of section 6
30 of P.L.2007, c.49, or for a substantially similar offense under the
31 laws of another state or the United States which would have been
32 such a crime under the laws of this State.

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

34

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

37 3. a. Notwithstanding any law, rule or regulation to the
38 contrary, a board of education, or an agency or instrumentality
39 thereof, shall not pay supplemental compensation to any officer or
40 employee for accumulated unused sick leave in an amount in excess
41 of \$15,000. Supplemental compensation shall be payable only at
42 the time of retirement from a State-administered or locally-
43 administered retirement system based on the leave credited on the
44 date of retirement. This provision shall apply only to officers and
45 employees who commence service with the board of education, or
46 the agency or instrumentality thereof, on or after the effective date
47 of P.L.2010, c.3. This section shall not be construed to affect the

1 terms in any collective negotiations agreement with a relevant
2 provision in force on that effective date.

3 b. A board of education, or an agency or instrumentality
4 thereof, shall not pay supplemental compensation to any officer or
5 employee who was in service with the employer prior to the
6 effective date of P.L.2010, c.3 and continuously thereafter or who
7 commenced service on or after that effective date for accumulated
8 unused sick leave earned after the effective date of P.L. ,
9 c. (pending before the Legislature as this bill) or after the
10 expiration of collective negotiations agreement or an individual
11 contract of employment with a relevant provision applicable to that
12 officer or employee in effect on that date, except that an officer or
13 employee who on the effective date of P.L. , c. (pending before
14 the Legislature as this bill), or upon the expiration of a collective
15 negotiations agreement or an individual contract of employment
16 with a relevant provision applicable to that officer or employee in
17 effect on that date, has accrued supplemental compensation based
18 upon accumulated unused sick leave earned prior to the effective
19 date shall continue to be eligible to receive the amount so accrued
20 based on that sick leave that remains credited on the date of
21 retirement. Supplemental compensation shall be payable only at the
22 time of retirement from a State-administered or locally-
23 administered retirement system based on the leave credited on the
24 date of retirement.

25 c. Payment of supplemental compensation for accumulated
26 unused sick leave shall be suspended if an officer or employee has
27 been indicted for a crime that involves or touches such office or
28 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
29 6.5).

30 Supplemental compensation for accumulated unused sick leave
31 shall be forfeited if an officer or employee is convicted of a crime
32 that subjects the officer or employee to the provisions of section 6
33 of P.L.2007, c.49, or for a substantially similar offense under the
34 laws of another state or the United States which would have been
35 such a crime under the laws of this State.

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

37
38 3. Section 43 of P.L.2007, c.92 (C.40A:9-10.2) is amended to
39 read as follows:

40 43. a. Notwithstanding any law, rule or regulation to the
41 contrary, a political subdivision of the State, or an agency, authority
42 or instrumentality thereof, that has not adopted the provisions of
43 Title 11A of the New Jersey Statutes, shall not pay supplemental
44 compensation to any officer or employee for accumulated unused
45 sick leave in an amount in excess of \$15,000 except that an officer
46 or employee who:

47 (1) on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.),
48 or upon the expiration of a collective negotiations agreement or

1 contract of employment applicable to that officer or employee in
2 effect on that date has accrued supplemental compensation based
3 upon accumulated unused sick leave shall, upon retirement, be
4 eligible to receive for any unused leave not more than the amount
5 so accumulated or not more than \$15,000, whichever is greater; or

6 (2) becomes an officer or employee after the effective date of
7 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued
8 supplemental compensation based upon accumulated unused sick
9 leave shall, upon retirement, be eligible to receive for any unused
10 leave not more than the amount so previously accumulated or not
11 more than \$15,000, whichever is greater.

12 Supplemental compensation shall be payable only at the time of
13 retirement from a State-administered or locally-administered
14 retirement system based on the leave credited on the date of
15 retirement.

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

39 b. A political subdivision of the State, or an agency, authority
40 or instrumentality thereof, that has not adopted the provisions of
41 Title 11A of the New Jersey Statutes, shall not pay supplemental
42 compensation to any officer or employee for accumulated unused
43 sick leave earned after the effective date of P.L. , c. (pending
44 before the Legislature as this bill) or after the expiration of
45 collective negotiations agreement or an individual contract of
46 employment with a relevant provision applicable to that officer or
47 employee in effect on that date, except that an officer or employee
48 who on the effective date of P.L. , c. (pending before the

1 Legislature as this bill), or upon the expiration of collective
2 negotiations agreement or an individual contract of employment
3 with a relevant provision applicable to that officer or employee in
4 effect on that date, has accrued supplemental compensation based
5 upon accumulated unused sick leave earned prior to the effective
6 date shall continue to be eligible to receive the amount so accrued
7 based on that sick leave that remains credited on the date of
8 retirement. Supplemental compensation shall be payable only at the
9 time of retirement from a State-administered or locally-
10 administered retirement system based on the leave credited on the
11 date of retirement.

12 c. Payment of supplemental compensation for accumulated
13 unused sick leave shall be suspended if an officer or employee has
14 been indicted for a crime that involves or touches such office or
15 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
16 6.5).

17 Supplemental compensation for accumulated unused sick leave
18 shall be forfeited if an officer or employee is convicted of a crime
19 that subjects the officer or employee to the provisions of section 6
20 of P.L.2007, c.49, or for a substantially similar offense under the
21 laws of another state or the United States which would have been
22 such a crime under the laws of this State.

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

24

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

27 2. a. Notwithstanding any law, rule or regulation to the
28 contrary, a political subdivision of the State, or an agency, authority
29 or instrumentality thereof, that has not adopted the provisions of
30 Title 11A of the New Jersey Statutes, shall not pay supplemental
31 compensation to any officer or employee for accumulated unused
32 sick leave in an amount in excess of \$15,000. Supplemental
33 compensation shall be payable only at the time of retirement from a
34 State-administered or locally-administered retirement system based
35 on the leave credited on the date of retirement. This provision shall
36 apply only to officers and employees who commence service with
37 the political subdivision of the State, or the agency, authority or
38 instrumentality thereof, on or after the effective date of P.L.2010,
39 c.3. This section shall not be construed to affect the terms in any
40 collective negotiations agreement with a relevant provision in force
41 on that effective date.

42 b. A political subdivision of the State, or an agency, authority
43 or instrumentality thereof, that has not adopted the provisions of
44 Title 11A of the New Jersey Statutes, shall not pay supplemental
45 compensation to any officer or employee who was in service with
46 the employer prior to the effective date of P.L.2010, c.3 and
47 continuously thereafter or who commenced service on or after that
48 effective date for accumulated unused sick leave earned after the

1 effective date of P.L. , c. (pending before the Legislature as this
2 bill) or after the expiration of collective negotiations agreement or
3 an individual contract of employment with a relevant provision
4 applicable to that officer or employee in effect on that date, except
5 that an officer or employee who on the effective date of P.L. ,
6 c. (pending before the Legislature as this bill), or upon the
7 expiration of a collective negotiations agreement or an individual
8 contract of employment with a relevant provision applicable to that
9 officer or employee in effect on that date, has accrued supplemental
10 compensation based upon accumulated unused sick leave earned
11 prior to the effective date shall continue to be eligible to receive the
12 amount so accrued based on that sick leave that remains credited on
13 the date of retirement. Supplemental compensation shall be payable
14 only at the time of retirement from a State-administered or locally-
15 administered retirement system based on the leave credited on the
16 date of retirement.

17 c. Payment of supplemental compensation for accumulated
18 unused sick leave shall be suspended if an officer or employee has
19 been indicted for a crime that involves or touches such office or
20 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
21 6.5).

22 Supplemental compensation for accumulated unused sick leave
23 shall be forfeited if an officer or employee is convicted of a crime
24 that subjects the officer or employee to the provisions of section 6
25 of P.L.2007, c.49, or for a substantially similar offense under the
26 laws of another state or the United States which would have been
27 such a crime under the laws of this State.

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

29
30 5. N.J.S.11A:6-16 is amended to read as follows:

31 11A:6-16. Supplemental compensation upon retirement in State
32 employment.

33 a. State employees in the career service, and those in the senior
34 executive and unclassified services who have been granted sick
35 leave under terms and conditions similar to career service
36 employees, shall be entitled upon retirement from a State-
37 administered retirement system to receive a lump sum payment as
38 supplemental compensation for each full day of accumulated sick
39 leave which is credited on the effective date of retirement.

40 b. The State shall not pay supplemental compensation to any
41 officer or employee who was in service with the employer prior to
42 the effective date of P.L. , c. (pending before the Legislature as
43 this bill) and continuously thereafter or who commenced service on
44 or after that effective date for accumulated unused sick leave earned
45 after the effective date of P.L. , c. (pending before the Legislature
46 as this bill) or after the expiration of collective negotiations
47 agreement or an individual contract of employment with a relevant
48 provision applicable to that officer or employee in effect on that

1 date, except that an officer or employee who on the effective date of
2 P.L. , c. (pending before the Legislature as this bill), or upon the
3 expiration of a collective negotiations agreement or an individual
4 contract of employment with a relevant provision applicable to that
5 officer or employee in effect on that date, has accrued supplemental
6 compensation based upon accumulated unused sick leave earned
7 prior to the effective date shall continue to be eligible to receive the
8 amount so accrued based on that sick leave that remains credited on
9 the date of retirement as calculated in accordance with N.J.S.11A:6-
10 19. Supplemental compensation shall be payable only at the time of
11 retirement from a State-administered or locally-administered
12 retirement system based on the leave credited on the date of
13 retirement. This subsection shall be applicable to employees
14 described in N.J.S.11A:6-17.

15 c. Payment of supplemental compensation for accumulated
16 unused sick leave shall be suspended if an officer or employee has
17 been indicted for a crime that involves or touches such office or
18 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
19 6.5).

20 Supplemental compensation for accumulated unused sick leave
21 shall be forfeited if an officer or employee is convicted of a crime
22 that subjects the officer or employee to the provisions of section 6
23 of P.L.2007, c.49, or for a substantially similar offense under the
24 laws of another state or the United States which would have been
25 such a crime under the laws of this State.

26 (cf: N.J.S.11A:6-16)

27

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

30 42. a. Notwithstanding any law, rule or regulation to the
31 contrary, a political subdivision of the State, or an agency, authority
32 or instrumentality thereof, that has adopted the provisions of Title
33 11A of the New Jersey Statutes, shall not pay supplemental
34 compensation to any officer or employee for accumulated unused
35 sick leave in an amount in excess of \$15,000, except that an officer
36 or employee who:

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

44 (2) becomes an officer or employee after the effective date of
45 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued
46 supplemental compensation based upon accumulated unused sick
47 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, 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 b. A political subdivision of the State, or an agency, authority
31 or instrumentality thereof, that has adopted the provisions of Title
32 11A of the New Jersey Statutes, shall not pay supplemental
33 compensation to any officer or employee for accumulated unused
34 sick leave earned after the effective date of P.L. , c. (pending
35 before the Legislature as this bill) or after the expiration of
36 collective negotiations agreement or an individual contract of
37 employment with a relevant provision applicable to that officer or
38 employee in effect on that date, except that an officer or employee
39 who on the effective date of P.L. , c. (pending before the
40 Legislature as this bill), or upon the expiration of collective
41 negotiations agreement or an individual contract of employment
42 with a relevant provision applicable to that officer or employee in
43 effect on that date, has accrued supplemental compensation based
44 upon accumulated unused sick leave earned prior to the effective
45 date shall continue to be eligible to receive the amount so accrued
46 based on that sick leave that remains credited on the date of
47 retirement. Supplemental compensation shall be payable only at the
48 time of retirement from a State-administered or locally-

1 administered retirement system based on the leave credited on the
2 date of retirement.

3 c. Payment of supplemental compensation for accumulated
4 unused sick leave shall be suspended if an officer or employee has
5 been indicted for a crime that involves or touches such office or
6 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
7 6.5).

8 Supplemental compensation for accumulated unused sick leave
9 shall be forfeited if an officer or employee is convicted of a crime
10 that subjects the officer or employee to the provisions of section 6
11 of P.L.2007, c.49, or for a substantially similar offense under the
12 laws of another state or the United States which would have been
13 such a crime under the laws of this State.

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

15
16 7. Section 1 of P.L.2010, c.3 (C.11A:6-19.2) is amended to
17 read as follows:

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

33 b. A political subdivision of the State, or an agency, authority
34 or instrumentality thereof, that has adopted the provisions of Title
35 11A of the New Jersey Statutes, shall not pay supplemental
36 compensation to any officer or employee who was in service with
37 the employer prior to the effective date of P.L.2010, c.3 and
38 continuously thereafter or who commenced service on or after that
39 effective date for accumulated unused sick leave earned after the
40 effective date of P.L. , c. (pending before the Legislature as this
41 bill) or after the expiration of collective negotiations agreement or
42 an individual contract of employment with a relevant provision
43 applicable to that officer or employee in effect on that date, except
44 that an officer or employee who on the effective date of P.L. ,
45 c. (pending before the Legislature as this bill), or upon the
46 expiration of a collective negotiations agreement or an individual
47 contract of employment with a relevant provision applicable to that
48 officer or employee in effect on that date, has accrued supplemental

1 compensation based upon accumulated unused sick leave earned
2 prior to the effective date shall continue to be eligible to receive the
3 amount so accrued based on that sick leave that remains credited on
4 the date of retirement. Supplemental compensation shall be payable
5 only at the time of retirement from a State-administered or locally-
6 administered retirement system based on the leave credited on the
7 date of retirement.

8 c. Payment of supplemental compensation for accumulated
9 unused sick leave shall be suspended if an officer or employee has
10 been indicted for a crime that involves or touches such office or
11 employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
12 6.5).

13 Supplemental compensation for accumulated unused sick leave
14 shall be forfeited if an officer or employee is convicted of a crime
15 that subjects the officer or employee to the provisions of section 6
16 of P.L.2007, c.49, or for a substantially similar offense under the
17 laws of another state or the United States which would have been
18 such a crime under the laws of this State.

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

20
21 8. Section 46 of P.L.2007, c.92 (C.18A:30-9) is amended to
22 read as follows:

23 46. a. Notwithstanding any law, rule or regulation to the
24 contrary, an officer or employee of a board of education, or an
25 agency or instrumentality thereof, who does not take vacation leave
26 that accrues on or after the effective date of P.L.2007, c.92
27 (C.43:15C-1 et al.), or on or after the date on which the person
28 becomes an officer or employee, in a given year because of business
29 demands shall be granted that accrued leave only during the next
30 succeeding year.

31 However, vacation leave not taken in a given year because of
32 duties directly related to a state of emergency declared by the
33 Governor may accumulate at the discretion of the appointing
34 authority until, pursuant to a plan established by the officer or
35 employee's appointing authority, the leave is used or the employee
36 or officer is compensated for that leave, which shall not be subject
37 to collective negotiation or collective bargaining.

38 A person who (1) is an officer or employee on the effective date
39 of P.L.2007, c.92 (C.43:15C-1 et al.), or (2) becomes an officer or
40 employee after that effective date, and has previously accrued
41 vacation leave shall be eligible and shall be permitted to retain and
42 use that accrued vacation leave.

43 As used in this section, "officer or employee" means an elected
44 official; or a person appointed by the Governor with the advice and
45 consent of the Senate, or appointed by the Governor to serve at the
46 pleasure of the Governor only during his or her term of office; or a
47 person appointed by an elected public official or elected governing
48 body of the political subdivision, with the specific consent or

1 approval of the elected governing body of the political subdivision
2 that is substantially similar in nature to the advice and consent of
3 the Senate for appointments by the Governor of the State as that
4 similarity is determined by the elected governing body and set forth
5 in an adopted resolution, pursuant to guidelines or policy that shall
6 be established by the Department of Education, but not including a
7 person who is employed or appointed in the regular or normal
8 course of employment or appointment procedures and consented to
9 or approved in a general or routine manner appropriate for and
10 followed by the political subdivision, or the agency or
11 instrumentality thereof.

12 b. Payment of supplemental compensation to any officer or
13 employee a board of education, or an agency or instrumentality
14 thereof, for accumulated unused vacation leave shall be suspended
15 if an officer or employee has been indicted for a crime that involves
16 or touches such office or employment as defined in section 6 of
17 P.L.2007, c.49 (C.2C:43-6.5).

18 Supplemental compensation for accumulated unused vacation
19 leave shall be forfeited if an officer or employee is convicted of a
20 crime that subjects the officer or employee to the provisions of
21 section 6 of P.L.2007, c.49, or for a substantially similar offense
22 under the laws of another state or the United States which would
23 have been such a crime under the laws of this State.

24 (cf: P.L.2007, c.92, s.46)

25

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

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

45 b. As used in this subsection, "officer or employee" means an
46 officer or employee who was in service with the employer prior to
47 the effective date of P.L.2010, c.3 and continuously thereafter.

1 An officer or employee of a board of education, or an agency or
2 instrumentality thereof, who does not take vacation leave in a given
3 year that accrues after the effective date of P.L. , c. (pending
4 before the Legislature as this bill) or after the expiration of a
5 collective negotiations agreement or an individual contract of
6 employment with a relevant provision applicable to that officer or
7 employee in effect on that date, because of business demands shall
8 be granted that accrued leave only during the next succeeding year.
9 However, vacation leave not taken in a given year because of duties
10 directly related to a state of emergency declared by the Governor
11 may accumulate at the discretion of the appointing authority until,
12 pursuant to a plan established by the officer or employee's
13 appointing authority, the leave is used or the employee or officer is
14 compensated for that leave, which shall not be subject to collective
15 negotiation or collective bargaining.

16 An officer or employee who on the effective date of P.L. ,
17 c. (pending before the Legislature as this bill), or upon the
18 expiration of a collective negotiations agreement or individual
19 contract of employment with a relevant provision applicable to that
20 officer or employee in effect on that date, has accrued vacation
21 leave shall be eligible and shall be permitted to retain and use that
22 accrued vacation leave.

23 c. Payment of supplemental compensation to any officer or
24 employee for accumulated unused vacation leave shall be
25 suspended if an officer or employee has been indicted for a crime
26 that involves or touches such office or employment as defined in
27 section 6 of P.L.2007, c.49 (C.2C:43-6.5).

28 Supplemental compensation for accumulated unused vacation
29 leave shall be forfeited if an officer or employee is convicted of a
30 crime that subjects the officer or employee to the provisions of
31 section 6 of P.L.2007, c.49, or for a substantially similar offense
32 under the laws of another state or the United States which would
33 have been such a crime under the laws of this State.

34 (cf: P.L.2010, c.3, s.5)

35
36 10. Section 45 of P.L.2007, c.92 (C.40A:9-10.3) is amended to
37 read as follows:

38 45. a. Notwithstanding any law or any rule or regulation to the
39 contrary, an officer or employee of a political subdivision of the
40 State, or an agency, authority, or instrumentality of a subdivision,
41 that has not adopted the provisions of Title 11A, Civil Service, of
42 the New Jersey Statutes, who does not take vacation leave that
43 accrues on or after the effective date of P.L.2007, c.92 (C.43:15C-1
44 et al.), or on or after the date on which the person becomes an
45 officer or employee, in a given year because of business demands
46 shall be granted that accrued leave only during the next succeeding
47 year.

1 However, vacation leave not taken in a given year because of
2 duties directly related to a state of emergency declared by the
3 Governor may accumulate at the discretion of the appointing
4 authority until, pursuant to a plan established by the officer or
5 employee's appointing authority, the leave is used or the employee
6 or officer is compensated for that leave, which shall not be subject
7 to collective negotiation or collective bargaining.

8 A person who (1) is an officer or employee on the effective date
9 of P.L.2007, c.92 (C.43:15C-1 et al.), or (2) becomes an officer or
10 employee after that effective date, and has previously accrued
11 vacation leave shall be eligible and shall be permitted to retain and
12 use that accrued vacation leave.

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

36 b. Payment of supplemental compensation to any officer or
37 employee for accumulated unused vacation leave shall be
38 suspended if an officer or employee has been indicted for a crime
39 that involves or touches such office or employment as defined in
40 section 6 of P.L.2007, c.49 (C.2C:43-6.5).

41 Supplemental compensation for accumulated unused vacation
42 leave shall be forfeited if an officer or employee is convicted of a
43 crime that subjects the officer or employee to the provisions of
44 section 6 of P.L.2007, c.49, or for a substantially similar offense
45 under the laws of another state or the United States which would
46 have been such a crime under the laws of this State.

47 (cf: P.L.2007, c.92, s.45)

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

3 4. a. Notwithstanding any law, rule or regulation to the
4 contrary, an officer or employee of a political subdivision of the
5 State, or an agency, authority, or instrumentality thereof, that has
6 not adopted the provisions of Title 11A of the New Jersey Statutes,
7 who does not take vacation leave that accrues in a given year
8 because of business demands shall be granted that accrued leave
9 only during the next succeeding year. However, vacation leave not
10 taken in a given year because of duties directly related to a state of
11 emergency declared by the Governor may accumulate at the
12 discretion of the appointing authority until, pursuant to a plan
13 established by the officer or employee's appointing authority, the
14 leave is used or the employee or officer is compensated for that
15 leave, which shall not be subject to collective negotiation or
16 collective bargaining. This provision shall apply only to officers
17 and employees who commence service with the political
18 subdivision of the State, or the agency, authority or instrumentality
19 thereof, on or after the effective date of P.L.2010, c.3. This section
20 shall not be construed to affect the terms in any collective
21 negotiations agreement with a relevant provision in force on that
22 effective date.

23 b. As used in this subsection, "officer or employee" means an
24 officer or employee who was in service with the employer prior to
25 the effective date of P.L.2010, c.3 and continuously thereafter.

26 An officer or employee of a political subdivision of the State, or
27 an agency, authority, or instrumentality thereof, that has not
28 adopted the provisions of Title 11A of the New Jersey Statutes,
29 who does not take vacation leave in a given year that accrues after
30 the effective date of P.L. , c. (pending before the Legislature as
31 this bill) or after the expiration of a collective negotiations
32 agreement or an individual contract of employment with a relevant
33 provision applicable to that officer or employee in effect on that
34 date, because of business demands shall be granted that accrued
35 leave only during the next succeeding year. However, vacation
36 leave not taken in a given year because of duties directly related to
37 a state of emergency declared by the Governor may accumulate at
38 the discretion of the appointing authority until, pursuant to a plan
39 established by the officer or employee's appointing authority, the
40 leave is used or the employee or officer is compensated for that
41 leave, which shall not be subject to collective negotiations or
42 collective bargaining.

43 An officer or employee who on the effective date of P.L. ,
44 c. (pending before the Legislature as this bill), or upon the
45 expiration of a collective negotiations agreement or an individual
46 contract of employment with a relevant provision applicable to that
47 officer or employee in effect on that date, has accrued vacation

1 leave shall be eligible and shall be permitted to retain and use that
2 accrued vacation leave.

3 c. Payment of supplemental compensation to any officer or
4 employee for accumulated unused vacation leave shall be
5 suspended if an officer or employee has been indicted for a crime
6 that involves or touches such office or employment as defined in
7 section 6 of P.L.2007, c.49 (C.2C:43-6.5).

8 Supplemental compensation for accumulated unused vacation
9 leave shall be forfeited if an officer or employee is convicted of a
10 crime that subjects the officer or employee to the provisions of
11 section 6 of P.L.2007, c.49, or for a substantially similar offense
12 under the laws of another state or the United States which would
13 have been such a crime under the laws of this State.

14 (cf: P.L.2010, c.3, s.4)

15
16 12. (New section) As used in this section, "officer or employee"
17 means an officer or employee of the State or a political subdivision
18 of the State covered by N.J.S.11A:6-2 or 11A:6-3.

19 Payment of supplemental compensation to any officer or
20 employee for accumulated unused vacation leave shall be
21 suspended if an officer or employee has been indicted for a crime
22 that involves or touches such office or employment as defined in
23 section 6 of P.L.2007, c.49 (C.2C:43-6.5).

24 Supplemental compensation for accumulated unused vacation
25 leave shall be forfeited if an officer or employee is convicted of a
26 crime that subjects the officer or employee to the provisions of
27 section 6 of P.L.2007, c.49, or for a substantially similar offense
28 under the laws of another state or the United States which would
29 have been such a crime under the laws of this State.

30
31 13. (New section) Notwithstanding the provision of any other
32 law to the contrary, the provisions of subsection b. of N.J.S.11A:6-5
33 and subsection b. of N.J.S.11A:6-16, as amended by P.L. ,
34 c. (C.)(pending before the legislature as this bill), and the
35 provisions of sections 12 and 17 of P.L. , c. (C.)(pending
36 before the legislature as this bill), and the provisions of
37 N.J.S.11A:6-2 regarding the carry forward of vacation leave not
38 taken in a given year, shall be applicable to all officers and
39 employees of any independent authority of the State and of any
40 public institution of higher education in this State, not otherwise
41 covered under those provisions, to the same extent and under the
42 same conditions. As used in this section, "independent State
43 authority" means a public authority, board, commission,
44 corporation, or other agency or instrumentality of the State
45 allocated, in but not of, a principal department of State government
46 pursuant to Article V, Section IV, paragraph 1 of the New Jersey
47 Constitution, or which is not subject to supervision or control by the
48 department in which it is allocated, and a regional authority; and

1 “public institution of higher education” means any public university
2 or college, including Rutgers, The State University, New Jersey
3 Institute of Technology and the University of Medicine and
4 Dentistry of New Jersey.

5 An officer or employee who on the effective date of P.L. ,
6 c. (pending before the Legislature as this bill), or upon the
7 expiration of a collective negotiations agreement or an individual
8 contract of employment with a relevant provision applicable to that
9 officer or employee in effect on that date, has accrued vacation
10 leave shall be eligible and shall be permitted to retain and use that
11 accrued vacation leave.

12

13 14. (New section) Notwithstanding any law, rule or regulation
14 to the contrary, for officers or employees of a school board, or any
15 agency or instrumentality thereof, the use of six or more
16 consecutive days of accumulated sick leave in the twelve months
17 prior to retirement in anticipation of that retirement without a
18 medical necessity verified in writing by a physician shall be
19 prohibited. The board shall promulgate rules and procedures to
20 ensure that verification of medical necessity is provided. The rules
21 shall provide that the employer may require the officer or employee
22 to submit to an examination by a physician selected by the
23 employer to verify the medical necessity. For the first violation of
24 this section, the employer shall treat the time taken as unpaid leave
25 and impose a minimum disciplinary penalty of a fine in an amount
26 equivalent to one and one-half times the daily rate of compensation
27 for each day of violation. For the second violation of this section,
28 in addition to treating the time taken as unpaid leave, the employer
29 shall impose a minimum disciplinary penalty of a fine in an amount
30 equivalent to three times the daily rate of compensation for each
31 day of violation. For the third violation of this section, in addition
32 to treating the time taken as unpaid leave, the employer shall have
33 good cause for termination of the employee. The minimum
34 penalties set forth for the first and second violations may be
35 increased at the discretion of the employer based upon the prior
36 record of the employee. The time converted to unpaid leave under
37 this section shall also be deducted from the number of unused
38 accumulated sick leave days credited on the effective date of
39 retirement upon which supplemental compensation, if any, for the
40 employee at the time of retirement is calculated. No monetary
41 penalty imposed under this section shall be construed to be a
42 reduction in compensation under applicable employee tenure laws.

43

44 15. (New section) Notwithstanding any law, rule or regulation
45 to the contrary, for officers or employees of a political subdivision
46 of the State, or any agency, authority or instrumentality thereof, that
47 has not adopted the provisions of Title 11A, Civil Service, of the
48 New Jersey Statutes, the use of six or more consecutive days of

1 accumulated sick leave in the twelve months prior to retirement in
2 anticipation of that retirement without a medical necessity verified
3 in writing by a physician shall be prohibited. The governing body
4 of a political subdivision shall promulgate rules and procedures to
5 ensure that verification of medical necessity is provided. The rules
6 shall provide that the employer may require the officer or employee
7 to submit to an examination by a physician selected by the
8 employer to verify the medical necessity. For the first violation of
9 this section, the employer shall treat the time taken as unpaid leave
10 and impose a minimum disciplinary penalty of a fine in an amount
11 equivalent to one and one-half times the daily rate of compensation
12 for each day of violation. For the second violation of this section,
13 in addition to treating the time taken as unpaid leave, the employer
14 shall impose a minimum disciplinary penalty of a fine in an amount
15 equivalent to three times the daily rate of compensation for each
16 day of violation. For the third violation of this section, in addition
17 to treating the time taken as unpaid leave, the employer shall have
18 good cause for termination of the employee. The minimum
19 penalties set forth for the first and second violations may be
20 increased at the discretion of the employer based upon the prior
21 record of the employee. The time converted to unpaid leave under
22 this section shall also be deducted from the number of unused
23 accumulated sick leave days credited on the effective date of
24 retirement upon which supplemental compensation, if any, for the
25 employee at the time of retirement is calculated.

26
27 16. N.J.S.11A:6-5 is amended to read as follows:

28 11A:6-5. Sick leave. a. Full-time State and political subdivision
29 employees shall receive a sick leave credit of no less than one
30 working day for each completed month of service during the
31 remainder of the first calendar year of service and 15 working days
32 in every year thereafter. Unused sick leave shall accumulate without
33 limit.

34 b. Notwithstanding the provisions of any law, rule, or
35 regulation to the contrary, the use of six or more consecutive days
36 of accumulated sick leave in the twelve months prior to retirement
37 in anticipation of that retirement without a medical necessity
38 verified in writing by a physician shall be prohibited. The
39 commission shall promulgate rules and procedures to ensure that
40 verification of medical necessity is provided. The rules shall
41 provide that the employer may require the employee to submit to an
42 examination by a physician selected by the employer to verify the
43 medical necessity. For the first violation of this subsection, the
44 employer shall treat the time taken as unpaid leave and impose a
45 minimum disciplinary penalty of a fine in an amount equivalent to
46 one and one-half times the daily rate of compensation for each day
47 of violation. For the second violation of this subsection, in addition
48 to treating the time taken as unpaid leave, the employer shall

1 impose a minimum disciplinary penalty of a fine in an amount
2 equivalent to three times the daily rate of compensation for each
3 day of violation. For the third violation of this subsection, in
4 addition to treating the time taken as unpaid leave, the employer
5 shall have good cause for termination of the employee. The
6 minimum penalties set forth for the first and second violations may
7 be increased at the discretion of the employer based upon the prior
8 record of the employee. The time converted to unpaid leave under
9 this subsection shall also be deducted from the number of unused
10 accumulated sick leave days credited on the effective date of
11 retirement upon which supplemental compensation, if any, for the
12 employee at the time of retirement is calculated.

13 (cf: N.J.S.11A:6-5)

14
15 17. a. The provisions of sections 1 through 12, inclusive, of
16 P.L. , c. (pending before the Legislature as this bill) regarding the
17 suspension of payment of supplemental compensation for
18 accumulated unused sick or vacation leave to an officer or
19 employee who has been indicted for a crime that involves or
20 touches such office or employment as defined in section 6 of
21 P.L.2007, c.49 (C.2C:43-6.5) shall be prospective in application for
22 any crime or offense committed after the effective date of P.L. ,
23 c. (pending before the Legislature as this bill).

24 b. The provisions of sections 1 through 12, inclusive, of P.L. ,
25 c. (pending before the Legislature as this bill) providing for the
26 forfeiture of supplemental compensation for accumulated unused
27 sick or vacation leave of an officer or employee who has been
28 convicted of a crime that subjects an officer or employee to the
29 provisions of section 6 of P.L.2007, c.49 (C.2C:43-6.5) shall be
30 prospective in application for any crime or offense committed after
31 the effective date of P.L. , c. (pending before the Legislature as
32 this bill).

33
34 18. (New section) The Attorney General shall develop
35 guidelines or establish a procedure designed to provide a State
36 agency as defined in section 2 of P.L.1971, c.182 (C.52:13D-13), a
37 local government agency as defined in section 3 of P.L.1991, c.29
38 (C.40A:9-22.3), a local school district as defined in section 3 of
39 P.L.1991, c.393 (C.18A:12-23) or other public employer, as
40 appropriate, with notice of any indictment or conviction of any
41 active or former officer or employee of such entity for a crime that
42 involves or touches such office or employment as set forth in
43 subsection b. of section 6 of P.L.2007, c.49 (C.2C:43-6.5) that will
44 subject the officer or employee to sentencing under the provisions
45 of section 6 of P.L.2007, c.49 (C.2C:43-6.5).

46
47 19. This act shall take effect on the first day of the second month
48 following enactment.

STATEMENT

This bill prohibits the payment by the State, local governments, and boards of education of supplemental compensation to any current or future public officer or employee for accumulated unused sick leave earned after the bill's effective date. The bill will take effect the first day of the second month following enactment. Supplemental compensation for any sick leave earned prior to that date but not used will be payable as under current law.

In addition, the bill imposes limits on the carry-forward of vacation leave that is not used in a given year by any current or future employee of the State, a local government, or board of education.

The bill requires that payment for unused accumulated sick leave and vacation leave will be suspended if the officer or employee is indicted for certain crimes that involve or touch the office or employment. The payment will be forfeited if the officer or employee is convicted. The bill requires the Attorney General to develop guidelines or establish procedures to provide the appropriate governmental agency or public employer with notice of any indictment or conviction of a current or former officer or employee.

The bill prohibits the use of six or more consecutive days of accumulated sick leave in the twelve months prior to retirement, without medical necessity verified in writing by a physician, by a current or future public officer or employee. The employer may require the officer or employee to submit to an examination by a physician selected by the employer to verify the medical necessity. There are penalties for violations of this provision. For the first violation, the employer will treat the time taken as unpaid leave and impose a minimum disciplinary penalty of a fine in an amount equal to one and one-half times the daily rate of compensation for each day of violation. For the second violation, in addition to treating the time as unpaid leave, the employer will impose a minimum disciplinary penalty of a fine in an amount equal to three times the daily rate of compensation for each day of violation. For the third violation, in addition to treating the time taken as unpaid leave, the employer will have good cause to terminate the employee.

The minimum penalties set forth for the first and second violations may be increased at the discretion of the employer, based upon the prior record of the employee. The time converted to unpaid leave will also be deducted from the number of unused accumulated sick leave days credited on the effective date of retirement.

Certain provisions of the bill would apply after the expiration of a collective negotiations agreement or individual contract of employment with a relevant provision in effect on the bill's effective date.