

ASSEMBLY, No. 1819

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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SYNOPSIS

Permits layoff plans as substitute for employment reconciliation plans for joint meetings or shared service agreements under certain circumstances.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning the transfer of employees in joint meetings and
2 shared service agreements and amending P.L.2007, c.63.

3

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

6

7 1. Section 11 of P.L.2007, c.63 (C.40A:65-11) is amended to
8 read as follows:

9 11. a. When a local unit contracts, through a shared service or
10 joint meeting, to have another local unit or a joint meeting provide a
11 service it is currently providing using public employees and one or
12 more of the local units have adopted Title 11A, Civil Service, then
13 each of the [agreement] local units shall include an employment
14 reconciliation plan to the Civil Service Commission in accordance
15 with this section **[that and, if one or more of the local units have**
16 **adopted Title 11A, Civil Service],** which shall specifically set forth
17 the intended jurisdiction of the Civil Service Commission, and
18 identify the local unit providing the service and the local unit
19 receiving the service. **[An employment reconciliation plan shall be**
20 **subject to the following provisions:]**

21 A layoff plan for a local unit that has adopted Title 11A, Civil
22 Service, may be substituted for an employment reconciliation plan
23 if it includes, at a minimum,

24 **[(1)]** a determination of those employees, if any, that shall be
25 transferred to the providing local unit, retained by the recipient
26 local unit, or terminated from employment for reasons of economy
27 or efficiency**],** subject to the provisions of any existing collective
28 bargaining agreements within the local units**].**

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

42 **[(3)]** the **b.** The Civil Service Commission shall place any
43 employee that has permanent status pursuant to Title 11A, Civil
44 Service, of the New Jersey Statutes, and that is terminated for

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 reasons of economy or efficiency at any time by either local unit on
2 a special reemployment list for **any civil service employer within**
3 **the county of the agreement or any political subdivision therein** the
4 local unit from which the employee is terminated.

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

15 **[(5) when] c. When** an action is required of the Civil Service
16 Commission by this section, parties to a planned shared service
17 agreement may consult with that commission in advance of the
18 action and the commission shall provide such technical support as
19 may be necessary to assist in the preparation of an employment
20 reconciliation plan or any other action required of the commission
21 by this section.

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

40 **[c.] e.** If the local unit that will provide the service pursuant to
41 a shared service agreement is subject to Title 11A, Civil Service, of
42 the New Jersey Statutes, but the local unit to receive the service is
43 not subject to that Title, and the contracting local units desire that
44 some or all employees of the recipient local unit are to be
45 transferred to the providing local unit, the Civil Service
46 Commission shall vest only those employees who have been
47 employed for one year or more in permanent status pursuant to

1 N.J.S.11A:9-9 in appropriate titles, seniority, and tenure with the
2 providing local unit based on the duties of the position. The final
3 decision of which employees shall transfer to the new employer is
4 vested solely with the local unit that will provide the service **and**
5 subject to the provisions of any existing collective bargaining
6 agreements within the local units**】**. Once transferred, employees
7 shall be subject to all applicable collective bargaining agreements,
8 employment contracts, and personnel policies that exist for the local
9 unit that will provide the service.

10 **【d.】 f.** If the local unit that will provide the service is not
11 subject to the provisions of Title 11A, Civil Service, of the New
12 Jersey Statutes, but the local unit that will receive the service is
13 subject to that Title and the parties desire that some or all
14 employees of the recipient local unit are to be transferred to the
15 providing local unit, the transferred employees shall be granted
16 tenure in office and shall only be removed or suspended for good
17 cause and after a hearing; provided, however, that they may be laid-
18 off **in** accordance with the provisions of N.J.S.11A:8-1 et seq., and
19 the regulations promulgated thereunder**】**. A permanent employee
20 who is laid off for reasons of economy due to the joint meeting or
21 shared service agreement shall be given notice at least 45 days prior
22 to the layoff, and shall have a right to appeal the good faith of such
23 layoff to the Civil Service Commission. Appeals must be filed
24 within 20 days of final notice of such layoff. The transferred
25 employees shall be subject to layoff procedures prior to the transfer
26 to the new entity. Once transferred, they will be subject to any
27 employment contracts and provisions that exist for the new entity.
28 The final decision of which employees shall transfer to the new
29 employer is vested solely with the local unit that will provide the
30 service and subject to the provisions of any existing collective
31 bargaining agreements within the local units.
32 (cf: P.L.2008, c.29, s.101)

33
34 2. Section 19 of P.L.2007, c.63 (C.40A:65-19) is amended to
35 read as follows:

36 19. a. When a local unit agrees to participate in a joint meeting
37 that will provide a service that the local unit is currently providing
38 itself through public employees, **the agreement】** the local unit
39 shall include】 submit an employment reconciliation plan to the
40 Civil Service Commission in accordance with this section, which
41 shall specifically identify the contracting local unit and the joint
42 meeting. 【An employment reconciliation plan shall be subject to
43 the following provisions】 A layoff plan for a local unit that has
44 adopted Title 11A, Civil Service, of the New Jersey Statutes, may
45 be substituted for an employment reconciliation plan if it includes,
46 at a minimum, the following requirements:

1 (1) a determination of those employees, if any, that shall be
2 transferred to the joint meeting, retained by the contracting local
3 unit, or terminated from employment for reasons of economy or
4 efficiency **【subject to the provisions of any collective bargaining**
5 **agreements within the local units】.**

6 (2) **【any employee terminated for reasons of economy or**
7 **efficiency by the contracting local unit providing the service or by**
8 **the joint meeting shall be given a terminal leave payment of not less**
9 **than a period of one month for each five-year period of past service**
10 **as an employee with the local unit, or other enhanced benefits that**
11 **may be provided or negotiated. Unless otherwise negotiated or**
12 **provided by the employer, a terminal leave benefit shall not include**
13 **extended payment, or payment for retroactive salary increases,**
14 **bonuses, overtime, longevity, sick leave, accrued vacation or other**
15 **time benefit, or any other benefit】** a statement of the intended
16 jurisdiction of the Civil Service Commission pursuant to paragraph
17 (2) of subsection f. of this section, if applicable.

18 **【(3) the】** b. The Civil Service Commission shall place any
19 employee that has permanent status pursuant to Title 11A, Civil
20 Service, of the New Jersey Statutes, and that is terminated for
21 reasons of economy or efficiency at any time by either local unit on
22 a special reemployment list for 【any civil service employer within
23 the county of the agreement or any political subdivision therein】 the
24 local unit from which the employee is terminated.

25 **【(4) when a proposed joint contract affects employees in local**
26 **units that operate under the provisions of Title 11A, Civil Service,**
27 **of the New Jersey Statutes, an employment reconciliation plan shall**
28 **be filed with the Civil Service Commission prior to the approval of**
29 **the joint meeting agreement. That commission shall review the**
30 **plan for consistency with this section within 45 days of receipt and**
31 **it shall be deemed approved, subject to approval of the joint**
32 **meeting agreement by the end of that time, unless that commission**
33 **has responded with a denial or conditions that must be met in order**
34 **for it to be approved.】**

35 **【(5) when】** c. When an action is required of the Civil Service
36 Commission by this section, parties to a proposed joint contract
37 may consult with the commission in advance of the action and the
38 commission shall provide such technical support as may be
39 necessary to assist in the preparation of an employment
40 reconciliation plan or any other action required of the commission
41 by this section.

42 **【b.】** d. If both the local unit and joint meeting operate under the
43 provisions of Title 11A, Civil Service, of the New Jersey Statutes,
44 the Civil Service Commission shall create an implementation plan
45 for employees to be hired by the joint meeting that will: (1) transfer
46 employees with current status in current title unless reclassified or
47 (2) reclassify employees, if necessary, into job titles that best reflect

1 the work to be performed. The Civil Service Commission shall
2 review whether any existing hiring or promotional lists should be
3 merged, inactivated, or re-announced. **【Non-transferred employees**
4 **shall be removed or suspended only for good cause and after the**
5 **opportunity for a hearing before the Civil Service Commission;**
6 **provided, however, that they may be laid-off in accordance with the**
7 **provisions of N.J.S.11A:8-1 et seq., and the regulations**
8 **promulgated thereunder.】** The final decision of which employees
9 shall transfer to the new employer is vested solely with the local
10 unit that will provide the service **【and subject to the provisions of**
11 **any existing collective bargaining agreements within the local**
12 **units】.**

13 **【c.】** e. If the joint meeting operates under the provisions of
14 Title 11A, Civil Service, of the New Jersey Statutes, and a local
15 unit receiving the service is not subject to that Title, and the parties
16 desire that some or all employees of the local unit be transferred to
17 the joint meeting, the Civil Service Commission shall vest only
18 those employees who have been employed one year or more in
19 permanent status pursuant to N.J.S.40A:9-9 in appropriate titles,
20 seniority, and tenure with the providing local unit based on the
21 duties of the position. Once transferred, employees shall be subject
22 to all applicable collective bargaining agreements, employment
23 contracts, and personnel policies that exist for the joint meeting.
24 The final decision of which employees shall transfer to the new
25 employer is vested solely with the joint meeting **【and subject to the**
26 **agreements affecting the parties, provided that those agreements do**
27 **not conflict with the provisions of any existing collective**
28 **bargaining agreements within the local units】.**

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

44 (2) A joint meeting established after the effective date of
45 sections 1 to 37 of P.L.2007, c.63 (C.40A:65-1 et al.) that affects
46 both employees in local units subject to Title 11A, Civil Service, of
47 the New Jersey Statutes and employees in local units not subject to

1 that Title, shall determine whether the employees of the joint
2 meeting shall be subject to the Title. If the joint meeting
3 determines that the employees shall not be subject to Title 11A,
4 Civil Service, of the New Jersey Statutes, then the employees from
5 the local units in which the Title is in effect shall have the same
6 rights as employees transferred pursuant to paragraph (1) of this
7 subsection.
8 (cf: P.L.2008, c.29, s.102)

9
10 3. This act shall take effect immediately.

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STATEMENT

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15 This bill amends sections 11 and 19 of the "Uniform Shared
16 Services and Consolidation Act," N.J.S.A.40A:65-11 and
17 N.J.S.A.40A:65-19, concerning the establishment of an employment
18 reconciliation plan when a local unit agrees to participate in a joint
19 meeting or shared service agreement that will provide a service that
20 the local unit is currently providing itself through public employees.
21 The bill would permit a local unit that has adopted Title 11A, Civil
22 Service, to substitute a layoff plan for the employee reconciliation
23 plan under certain circumstances.

24 This bill is part of the Governor's toolkit for local units, and is
25 intended to reduce the hurdles standing in the path of shared service
26 agreements and joint meetings.