

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 245

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 245.

This bill would require that shared service agreements between local governments include certain provisions. Specifically, and in addition to provisions required under current law, the bill requires such an agreement to include: (1) performance evaluation criteria; (2) procedures for determining any fee adjustments; (3) alternative dispute resolution procedures; and (4) exit procedures to govern the dissolution of the agreement. Requiring these items to be addressed at the outset will help avoid, and make easier to resolve, potential issues that may arise over the course of such an agreement.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.