

SENATE, No. 750

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

Senator Connors

SYNOPSIS

Allows municipalities and boards of education to jointly contract for certain group insurance benefits for their employees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning certain group insurance benefit contracts for
2 municipal and school employees, amending P.L.1992, c.51, and
3 supplementing chapter 10 of Title 40A of the New Jersey
4 Statutes.

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

8
9 1. Section 1 of P.L.1992, c.51 (C.40A:10-52) is amended to
10 read as follows:

11 1. The governing body of any municipality and the board of
12 education of any school district, provided that the district is not part
13 of a limited purpose regional school district, an all purpose regional
14 school district or a consolidated school district, may by ordinance
15 or resolution, as the case may be, adopted by a majority of the full
16 membership of the governing body and by a majority of the full
17 membership of the board, agree to join together for the purpose of
18 insuring pursuant to the provisions of: a. Article 1 of chapter 10 of
19 Title 40A of the New Jersey Statutes (N.J.S.40A:10-1 et seq.); b.
20 Article 3 of chapter 10 of Title 40A of the New Jersey Statutes
21 (N.J.S.40A:10-6 et seq.); c. Article 4 of chapter 10 of Title 40A of
22 the New Jersey Statutes (N.J.S.40A:10-12 et seq.); **【or】** d. Article 5
23 of chapter 10 of Title 40A of the New Jersey Statutes
24 (N.J.S.40A:10-16 et seq.); or e. P.L.1983, c.372 (C.40A:10-36 et
25 seq.).
26 (cf: P.L.2007, c.18, s.3)

27
28 2. Section 2 of P.L.1992, c.51 (C.40A:10-53) is amended to
29 read as follows:

30 2. In the case of an all purpose regional school district or a
31 consolidated school district, the governing body of any municipality
32 and the board of education of the regional or consolidated school
33 district may by resolution adopted by a majority of the full
34 membership of the governing body and a majority of the full
35 membership of the board, agree to join together for the purpose of
36 insuring pursuant to the provisions of: a. Article 1 of chapter 10 of
37 Title 40A of the New Jersey Statutes (N.J.S.40A:10-1 et seq.); b.
38 Article 3 of chapter 10 of Title 40A of the New Jersey Statutes
39 (N.J.S.40A:10-6 et seq.); c. Article 4 of chapter 10 of Title 40A of
40 the New Jersey Statutes (N.J.S.40A:10-12 et seq.); **【or】** d. Article 5
41 of chapter 10 of Title 40A of the New Jersey Statutes
42 (N.J.S.40A:10-16 et seq.); or e. P.L.1983, c.372 (C.40A:10-36 et
43 seq.).
44 (cf: P.L.2007, c.18, s.4)

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 3. Section 3 of P.L.1992, c.51 (C.40A:10-54) is amended to
2 read as follows:

3 3. In the case of a limited purpose regional school district, the
4 governing body of any municipality and the board of education of
5 the regional district may by ordinance or resolution, as the case may
6 be, adopted by a majority of the full membership of the governing
7 body and a majority of the full membership of the board, agree to
8 join together for the purpose of insuring pursuant to the provisions
9 of: a. Article 1 of chapter 10 of Title 40A of the New Jersey
10 Statutes (N.J.S.40A:10-1 et seq.); b. Article 3 of chapter 10 of Title
11 40A of the New Jersey Statutes (N.J.S.40A:10-6 et seq.); c. Article
12 4 of chapter 10 of Title 40A of the New Jersey Statutes
13 (N.J.S.40A:10-12 et seq.); **【or】** d. Article 5 of chapter 10 of Title
14 40A of the New Jersey Statutes (N.J.S.40A:10-16 et seq.); or e.
15 P.L.1983, c.372 (C.40A:10-36 et seq.).
16 (cf: P.L.2007, c.18, s.5)

17
18 4. Section 4 of P.L.1992, c.51 (C.40A:10-55) is amended to
19 read as follows:

20 4. In the case of a limited purpose regional school district, in
21 addition to any contract entered into by a municipality pursuant to
22 section 3 of this act, the governing body of any municipality and the
23 board of education of any school district may, in accordance with
24 section 1 of this act, agree to join together for the purpose of
25 insuring pursuant to the provisions of: a. Article 1 of chapter 10 of
26 Title 40A of the New Jersey Statutes (N.J.S.40A:10-1 et seq.); b.
27 Article 3 of chapter 10 of Title 40A of the New Jersey Statutes
28 (N.J.S.40A:10-6 et seq.); c. Article 4 of chapter 10 of Title 40A of
29 the New Jersey Statutes (N.J.S.40A:10-12 et seq.); **【or】** d. Article 5
30 of chapter 10 of Title 40A of the New Jersey Statutes
31 (N.J.S.40A:10-16 et seq.); or e. P.L.1983, c.372 (C.40A:10-36 et
32 seq.).
33 (cf: P.L.2007, c.18, s.6)

34
35 5. Section 5 of P.L.1992, c.51 (C.40A:10-56) is amended to
36 read as follows:

37 5. In the case of a county vocational school district, the
38 governing body of any municipality and the board of education of
39 the county vocational school district may by ordinance or
40 resolution, as the case may be, adopted by a majority of the full
41 membership of the governing body and a majority of the full
42 membership of the board, agree to join together for the purpose of
43 insuring pursuant to the provisions of: a. Article 1 of chapter 10 of
44 Title 40A of the New Jersey Statutes (N.J.S.40A:10-1 et seq.); b.
45 Article 3 of chapter 10 of Title 40A of the New Jersey Statutes
46 (N.J.S.40A:10-6 et seq.); **【or】** c. Article 4 of chapter 10 of Title
47 40A of the New Jersey Statutes (N.J.S.40A:10-12 et seq.); or d.

1 Article 5 of chapter 10 of Title 40A of the New Jersey Statutes
2 (N.J.S.40A:10-16 et seq.).
3 (cf: P.L.2007, c.18, s.7)
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5 6. Section 6 of P.L.1992, c.51 (C.40A:10-57) is amended to
6 read as follows:

7 6. In the case of a county vocational school district, in addition
8 to any contract entered into by a municipality pursuant to section 5
9 of this act, the governing body of any municipality and any board
10 of education may, in accordance with section 1 of this act, agree to
11 join together for the purpose of insuring pursuant to the provisions
12 of: a. Article 1 of chapter 10 of Title 40A of the New Jersey
13 Statutes (N.J.S.40A:10-1 et seq.); b. Article 3 of chapter 10 of Title
14 40A of the New Jersey Statutes (N.J.S.40A:10-6 et seq.); c. Article
15 4 of chapter 10 of Title 40A of the New Jersey Statutes
16 (N.J.S.40A:10-12 et seq.); **【or】** d. Article 5 of chapter 10 of Title
17 40A of the New Jersey Statutes (N.J.S.40A:10-16 et seq.); or e.
18 P.L.1983, c.372 (C.40A:10-36 et seq.).
19 (cf: P.L.2007, c.18, s.8)
20

21 7. (New section) For the purposes of Article 5 of chapter 10
22 of Title 40A of the New Jersey Statutes, "local unit" shall be
23 deemed to include boards of education which join together with
24 municipalities pursuant to P.L.1992, c.51 (C.40A:10-52 et al.).
25

26 8. This act shall take effect immediately.
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29 STATEMENT
30

31 This bill would permit municipalities and boards of education to
32 jointly contract for group health insurance benefits and certain other
33 types of group insurance benefits for their employees. The bill
34 would provide these local governments with additional flexibility to
35 work together to lower costs.