

SENATE, No. 3655

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED APRIL 19, 2021

Sponsored by:

Senator HOLLY T. SCHEPISI

District 39 (Bergen and Passaic)

SYNOPSIS

Limits certain unused sick leave pay and vacation leave carry-forward for school and local employees; limits sick leave use by new public employees before retirement.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the accumulation of sick leave and vacation
2 leave by certain public employees, and amending P.L.2010,
3 c.3 and N.J.S.11A:6-5, and supplementing Titles 18A and 40A of
4 the New Jersey Statutes.

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

8
9 1. Section 3 of P.L.2010, c.3 (C.18A:30-3.6) is amended to read
10 as follows:

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

24 An officer or employee who on the effective date of
25 P.L. , c. (pending before the Legislature as this bill), or upon the
26 expiration of a collective negotiations agreement or contract of
27 employment applicable to that officer or employee in effect on that
28 date, has accrued supplemental compensation based upon
29 accumulated unused sick leave shall, upon retirement, be eligible to
30 receive for any unused leave not more than the amount so
31 accumulated or not more than \$15,000, whichever is greater.
32 (cf: P.L.2010, c.3, s.3)

33
34 2. Section 5 of P.L.2010, c.3 (C.18A:30-9.1) is amended to read
35 as follows:

36 5. Notwithstanding any law, rule or regulation to the contrary,
37 an officer or employee of a board of education, or an agency or
38 instrumentality thereof, who does not take vacation leave that accrues
39 in a given year because of business demands shall be granted that
40 accrued leave only during the next succeeding year. However,
41 vacation leave not taken in a given year because of duties directly
42 related to a state of emergency declared by the Governor may
43 accumulate at the discretion of the appointing authority until,
44 pursuant to a plan established by the officer or employee's appointing
45 authority, the leave is used or the employee or officer is compensated

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 for that leave, which shall not be subject to collective negotiation or
2 collective bargaining. **【This provision shall apply only to officers**
3 **and employees who commence service with the board of education,**
4 **or the agency or instrumentality thereof, on or after the effective date**
5 **of P.L.2010, c.3. This section shall not be construed to affect the**
6 **terms in any collective negotiations agreement with a relevant**
7 **provision in force on that effective date.】** A person who is an
8 officer or employee on the effective date of P.L. , c. (pending
9 before the Legislature as this bill) and has previously accrued
10 vacation leave shall be eligible and shall be permitted to retain and
11 use that accrued vacation leave.

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

13
14 3. Section 2 of P.L.2010, c.3 (C.40A:9-10.4) is amended to read
15 as follows:

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

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

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41 4. Section 4 of P.L.2010, c.3 (C.40A:9-10.5) is amended to read
42 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 the
46 provisions of Title 11A of the New Jersey Statutes, who does not take
47 vacation leave that accrues in a given year because of business
48 demands shall be granted that accrued leave only during the next

1 succeeding year. However, vacation leave not taken in a given year
2 because of duties directly related to a state of emergency declared by
3 the 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 or
6 officer is compensated for that leave, which shall not be subject to
7 collective negotiation or collective bargaining. **【This provision shall**
8 **apply only to officers and employees who commence service with the**
9 **political subdivision of the State, or the agency, authority or**
10 **instrumentality thereof, on or after the effective date of P.L.2010, c.3.**
11 **This section shall not be construed to affect the terms in any**
12 **collective negotiations agreement with a relevant provision in force**
13 **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 who has
16 accrued vacation leave as of that effective date shall be eligible and
17 shall be permitted to retain and use that accrued vacation leave.
18 (cf: P.L.2010, c.3, s.4)

19

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

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

36 An officer or employee who on the effective date of
37 P.L. , c. (pending before the Legislature as this bill), or upon
38 the expiration of a collective negotiations agreement or contract of
39 employment applicable to that officer or employee in effect on that
40 date, has accrued supplemental compensation based upon
41 accumulated unused sick leave shall, upon retirement, be eligible to
42 receive for any unused leave not more than the amount so
43 accumulated or not more than \$15,000, whichever is greater.

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

45

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

47 11A:6-5. Sick leave. a. Full-time State and political subdivision
48 employees shall receive a sick leave credit of no less than one

1 working day for each completed month of service during the
2 remainder of the first calendar year of service and 15 working days
3 in every year thereafter. Unused sick leave shall accumulate without
4 limit.

5 b. Notwithstanding the provisions of any law, rule, or regulation
6 to the contrary, the use of six or more consecutive days of
7 accumulated sick leave in the twelve months prior to retirement by
8 an employee who commences employment with the State or a
9 political subdivision on or after the effective date of
10 P.L. , c. (pending before the Legislature as this bill) in
11 anticipation of that retirement without a medical necessity verified in
12 writing by a physician shall be prohibited. The commission shall
13 promulgate rules and procedures to ensure that verification of
14 medical necessity is provided. The rules shall provide that the
15 employer may require the employee to submit to an examination by
16 a physician selected by the employer to verify the medical necessity.
17 The employer shall (1) impose a fine and issue a reprimand against
18 the employee found to be in violation of this prohibition, with the
19 fine to be an amount equivalent to one and one-half times the daily
20 rate of compensation for each day of violation, or (2) for a subsequent
21 violation of the prohibition, deduct a number of sick leave days
22 equivalent to the number found to have been used in violation of this
23 prohibition from the number of unused accumulated sick leave
24 credited on the effective date of retirement upon which supplemental
25 compensation, if any, for the employee at the time of retirement is
26 calculated, or (3) both.

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

28
29 7. (New section) Notwithstanding any law, rule or regulation to
30 the contrary, for officers or employees of a political subdivision of
31 the State, or any agency, authority or instrumentality thereof, that has
32 not adopted the provisions of Title 11A, Civil Service, of the New
33 Jersey Statutes, the use of six or more consecutive days of
34 accumulated sick leave in the twelve months prior to retirement by
35 an officer or employee who commences employment with the
36 political subdivision of the State, or agency, authority or
37 instrumentality thereof, on or after the effective date of P.L. ,
38 c. (pending before the Legislature as this bill) in anticipation of
39 that retirement and without a medical necessity verified in writing by
40 a physician shall be prohibited. The governing body of a political
41 subdivision shall promulgate rules and procedures to ensure that
42 verification of medical necessity is provided. The rules shall provide
43 that the employer may require the officer or employee to submit to
44 an examination by a physician selected by the employer to verify the
45 medical necessity. The employer shall (1) impose a fine and issue a
46 reprimand against the officer or employee found to be in violation of
47 this prohibition, with the fine to be an amount equivalent to one and
48 one-half times the daily rate of compensation for each day of

1 violation, or (2) for a subsequent violation of the prohibition, deduct
2 a number of sick leave days equivalent to the number found to have
3 been used in violation of this prohibition from the number of unused
4 accumulated sick leave credited on the effective date of retirement
5 upon which supplemental compensation, if any, for the officer or
6 employee at the time of retirement is calculated, or (3) both.

7
8 8. (New section) Notwithstanding any law, rule or regulation to
9 the contrary, for officers or employees of a school board, or any
10 agency or instrumentality thereof, the use of six or more consecutive
11 days of accumulated sick leave in the twelve months prior to
12 retirement by an officer or employee who commences service with
13 the school board, or agency or instrumentality thereof, on or after the
14 effective date of P.L. , c. (pending before the Legislature as this
15 bill) in anticipation of that retirement and without a medical necessity
16 verified in writing by a physician shall be prohibited. The board shall
17 promulgate rules and procedures to ensure that verification of
18 medical necessity is provided. The rules shall provide that the
19 employer may require the officer or employee to submit to an
20 examination by a physician selected by the employer to verify the
21 medical necessity. The employer shall (1) impose a fine and issue a
22 reprimand against the officer or employee found to be in violation of
23 this prohibition, with the fine to be an amount equivalent to one and
24 one-half times the daily rate of compensation for each day of
25 violation, or (2) for a subsequent violation of the prohibition, deduct
26 a number of sick leave days equivalent to the number found to have
27 been used in violation of this prohibition from the number of unused
28 accumulated sick leave credited on the effective date of retirement
29 upon which supplemental compensation, if any, for the officer or
30 employee at the time of retirement is calculated, or (3) both.

31
32 9. The provisions of P.L. , c. (pending before the Legislature
33 as this bill) shall not be construed to impair the obligation of a
34 collective negotiations agreement or individual contract of
35 employment with relevant provisions in effect on the effective date
36 of P.L. , c. (pending before the Legislature as this bill).

37
38 10. This act shall take effect immediately.
39
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41 STATEMENT

42
43 The bill amends current law to make applicable for all current and
44 future officers and employees of boards of education and local
45 governments the limit of \$15,000 for the payment of supplemental
46 compensation at retirement for accumulated unused sick leave, and
47 the limit on the carrying forward of vacation leave for one year only.
48 Current officers and employees will be permitted to retain any

1 supplemental compensation for unused sick leave, or to carry forward
2 any vacation leave, already accrued as of the bill's effective date.

3 Current law imposes these limits on officers and employees
4 commencing service with an individual employer on or after May 21,
5 2010 and for certain high-level officers and employees who were in
6 service on June 8, 2007.

7 The bill imposes limits on the use of sick leave by a State, local,
8 or board of education employee in the twelve months before
9 retirement. This provision applies to employees who commence
10 employment with an individual employer on or after the bill's
11 effective date. Specifically, the bill prohibits the use of six or more
12 consecutive days of accumulated sick leave, without medical
13 necessity verified in writing by a physician, by an officer or employee
14 in the twelve months prior to retirement in anticipation of that
15 retirement. The employer may require the officer or employee to
16 submit to an examination by a physician selected by the employer to
17 verify the medical necessity. The employer must (1) impose a fine
18 and issue a reprimand against the officer or employee found to be in
19 violation of this prohibition, with the fine to be an amount equivalent
20 to one and one-half times the daily rate of compensation for each day
21 of violation, or (2) for a subsequent violation of the prohibition,
22 deduct a number of sick leave days equivalent to the number found
23 to have been used in violation of this prohibition from the number of
24 unused accumulated sick leave credited on the effective date of
25 retirement upon which supplemental compensation, if any, for the
26 officer or employee at the time of retirement is calculated, or (3) both.

27 The bill would not be construed to impair the obligation of a
28 collective negotiations agreement or individual contract of
29 employment with relevant provisions in effect on the bill's effective
30 date.