SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 3819

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 3819.

As amended, this bill would amend the "Municipal Stabilization and Recovery Act," P.L.2016, c.4 (C.52:27BBBB-1 et al.) to extend to nine years the length of the period of State monitoring to which a municipality determined by the Commissioner of Community Affairs to be in need of stabilization and recovery is to be subject.

The bill also provides that certain provisions of chapter 13A of Title 34 of the Revised Statutes pertaining to unfair labor practices (N.J.S.A.34:13A-5.4) and impasse procedures and arbitration awards (N.J.S.A.34:13A-16) enacted as part of the "Municipal Stabilization and Recovery Act" would not be applicable after the original five-year period of stabilization and recovery established in that law and actions taken prior to the effective date of this bill would remain in effect.

The bill also restores Civil Service protections removed by the "Municipal Stabilization and Recovery Act," P.L.2016, c.4 (C.52:27BBBB-1 et al.).

The bill also repeals a section of the "Municipal Stabilization and Recovery Act," P.L.2016, c.4 (C.52:27BBBB-11), which would permit a municipality in need of stabilization and recovery to use early retirement incentives as a mechanism to stabilize its finances, restructure its debts, or assist its financial rehabilitation and recovery.

As amended and reported by the committee, Senate Bill No. 3819 is identical to Assembly Bill No. 5590, which also was amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments clarify that the restoration of the Civil Service protections and the PERC provisions are prospective and that any personnel decisions made prior to the restoration are final and not subject to reconsideration.