

**ASSEMBLY, No. 3931**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MARCH 4, 2024

**Sponsored by:**

**Assemblyman CHRISTOPHER P. DEPHILLIPS**

**District 40 (Bergen, Essex and Passaic)**

**Assemblyman AL BARLAS**

**District 40 (Bergen, Essex and Passaic)**

**Assemblyman ROBERT AUTH**

**District 39 (Bergen)**

**Co-Sponsored by:**

**Assemblyman Azzariti Jr.**

**SYNOPSIS**

Adds Bergen County as pilot county for purposes of “Common Sense Shared Services Pilot Program Act.”

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/7/2024)**

1 AN ACT concerning certain shared services and amending P.L.2013,  
2 c.166 and 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 3 of P.L.2013, c.166 (C.40A:65-4.2) is amended to  
8 read as follows:

9 3. a. As used in this section:

10 "Local employee" means a tenured municipal clerk, assessor,  
11 collector, chief financial officer, municipal treasurer, or principal  
12 public works manager who is a municipal superintendent of public  
13 works;

14 "Pilot county" means Atlantic, Bergen, Camden, Monmouth,  
15 Morris, Ocean, Sussex, and Warren, counties; and

16 "Pilot municipality" means a municipality located in a pilot  
17 county that enters into a shared services agreement with another  
18 pilot municipality pursuant to the provisions of P.L.2007, c.63  
19 (C.40A:65-1 et seq.) for the services of a local employee.

20 b. There is established a pilot program to evaluate the  
21 efficiency and functionality of the sharing of services of certain  
22 local personnel having tenure rights in office. In pilot  
23 municipalities, tenure rights shall not prohibit the sharing of  
24 services for a municipal clerk, a chief financial officer, an assessor,  
25 a tax collector, a municipal treasurer, or a municipal superintendent  
26 of public works. Under the pilot program, municipalities located in  
27 pilot counties may enter into shared services agreements, pursuant  
28 to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.), for the  
29 services of tenured local employees, and provide for the dismissal  
30 of any tenured local employees who are not selected to be service  
31 providers under the shared services agreement.

32 In a shared service agreement between pilot municipalities for  
33 the services of a municipal clerk, a chief financial officer, an  
34 assessor, a tax collector, a municipal treasurer, or a municipal  
35 superintendent of public works, the agent-party, as that term is  
36 defined in subsection d. of section 7 of P.L.2007, c.63 (C.40A:65-  
37 7), shall select for employment under the agreement one of the  
38 employees of the pilot municipalities that are party to the agreement  
39 who was employed in that same capacity by one of the pilot  
40 municipalities prior to the approval of the agreement. The shared  
41 service agreement shall address the proportion of work hours that  
42 the selected employee shall dedicate towards each pilot  
43 municipality, and any additional compensation that the selected  
44 employee may receive for assuming additional duties under the  
45 agreement. If the selected employee receives additional

**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 compensation for assuming additional duties under the agreement,  
2 the additional compensation shall not be reduced during the term of  
3 the agreement without good cause.

4 c. A tenured municipal clerk, chief financial officer, assessor,  
5 tax collector, municipal superintendent of public works, or  
6 municipal treasurer may be dismissed to effectuate the sharing of a  
7 service entered into pursuant to the provisions of P.L.2007, c.63  
8 (C.40A:65-1 et seq.), and such dismissal shall be deemed to be in  
9 the interest of the economy or efficiency of the participants in the  
10 shared service agreement. A tenured municipal clerk, chief  
11 financial officer, assessor, tax collector, municipal superintendent  
12 of public works, or municipal treasurer who has been dismissed to  
13 effectuate a shared service agreement entered into pursuant to the  
14 provisions of P.L.2007, c.63 (C.40A:65-1 et seq.) shall be  
15 reappointed to his or her former position, and shall regain his or her  
16 tenured status, if the shared service agreement is cancelled, or  
17 expires, within the two-year period immediately following the  
18 dismissal of that person. If the shared service agreement is  
19 cancelled, or expires, within the two-year period immediately  
20 following the dismissal, the reappointed employee shall be entitled  
21 to the same level of salary or wages as the employee had received at  
22 the time of the dismissal, augmented by any increases in salary  
23 granted to all other tenured employees by ordinance while the  
24 shared service agreement was in effect.

25 (cf: P.L.2018, c.140, s.1)

26

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

29 2. The Legislature finds and declares:

30 a. Historically, many specialized statutes have been enacted to  
31 permit shared services between local units for particular purposes.

32 b. Other laws, permitting a variety of shared services, including  
33 interlocal services agreements, joint meetings, and consolidated and  
34 regional services, exist but have not been very effective in  
35 promoting the broad use of shared services as a technique to reduce  
36 local expenses funded by property taxpayers.

37 c. It is appropriate for the Legislature to enact a new shared  
38 services statute that can be used to effectuate agreements between  
39 local units for any service or circumstance intended to reduce  
40 property taxes through the reduction of local expenses.

41 d. It is contrary to public policy that the tenure rights of certain  
42 local personnel should effectively prohibit shared services  
43 agreements for the services provided by those local personnel,  
44 thereby depriving property taxpayers of property tax relief.

45 e. In order to evaluate the efficiencies related to the sharing of  
46 services of certain local personnel having tenure rights in office, it  
47 is appropriate to create a pilot program in **【seven】** eight counties of  
48 the State which embody urban, suburban, and rural characteristics

1 to study the sharing of the services of these personnel between  
2 municipalities by allowing for the dismissal of such a tenured local  
3 official, as necessary, in order to promote and effectuate the sharing  
4 of a service.

5 (cf: P.L.2018, c.140, s.2)

6

7 3. This act shall take effect immediately.

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9

10 STATEMENT

11

12 This bill revises the “Common Sense Shared Services Pilot  
13 Program Act” to permit municipalities in Bergen County to  
14 participate in the program.

15 The “Common Sense Shared Services Pilot Program Act”  
16 authorizes the sharing of services for a municipal clerk, a chief  
17 financial officer, an assessor, a tax collector, a municipal treasurer,  
18 or a municipal superintendent of public works without regard to the  
19 tenure rights that persons who hold those positions may have.  
20 Under the pilot program, municipalities located in pilot counties  
21 may enter into shared services agreements, pursuant to the  
22 provisions of the “Uniform Shared Services and Consolidation  
23 Act,” for the services of tenured local employees, and provide for  
24 the dismissal of any tenured local employees who are not selected  
25 to be service providers under the shared services agreement.

26 This bill amends the definition of “pilot county” in the “Common  
27 Sense Shared Services Pilot Program Act” to add Bergen County to  
28 the list of counties permitted to participate in the pilot program.  
29 Currently, Atlantic, Camden, Monmouth, Morris, Ocean, Sussex,  
30 and Warren Counties are the seven counties whose municipalities  
31 may enter into such shared services agreements.