

**SENATE, No. 1661**

**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Senator DECLAN J. O'SCANLON, JR.**

**District 13 (Monmouth)**

**SYNOPSIS**

Prohibits payment to public employees at retirement for certain unused sick leave, provides for forfeiture of payment for unused sick leave for certain criminal convictions, and requires documentation for use of sick leave.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



S1661 O'SCANLON

2

1 AN ACT concerning the use of sick leave by public employees and  
2 amending and supplementing various parts of the statutory law.

3

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

6

7 1. Section 44 of P.L.2007, c.92 (C.18A:30-3.5) is amended to  
8 read as follows:

9 44. a. Notwithstanding any law, rule or regulation to the  
10 contrary, a board of education, or an agency or instrumentality  
11 thereof, shall not pay supplemental compensation to any officer or  
12 employee for accumulated unused sick leave in an amount in excess  
13 of \$15,000 except that an officer or employee who:

14 (1) on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.),  
15 or upon the expiration of a collective negotiations agreement or  
16 contract of employment applicable to that officer or employee in  
17 effect on that date has accrued supplemental compensation based  
18 upon accumulated unused sick leave shall, upon retirement, be  
19 eligible to receive for any unused leave not more than the amount  
20 so accumulated or not more than \$15,000, whichever is greater; or

21 (2) becomes an officer or employee after the effective date of  
22 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued  
23 supplemental compensation based upon accumulated unused sick  
24 leave shall, upon retirement, be eligible to receive for any unused  
25 leave not more than the amount so previously accumulated or not  
26 more than \$15,000, whichever is greater.

27 Supplemental compensation shall be payable only at the time of  
28 retirement from a State-administered or locally-administered  
29 retirement system based on the leave credited on the date of  
30 retirement.

31 As used in this section, "officer or employee" means an elected  
32 official; or a person appointed by the Governor with the advice and  
33 consent of the Senate, or appointed by the Governor to serve at the  
34 pleasure of the Governor only during his or her term of office; or a  
35 person appointed by an elected public official or elected governing  
36 body of the political subdivision, with the specific consent or  
37 approval of the elected governing body of the political subdivision  
38 that is substantially similar in nature to the advice and consent of  
39 the Senate for appointments by the Governor of the State as that  
40 similarity is determined by the elected governing body and set forth  
41 in an adopted resolution, pursuant to guidelines or policy that shall  
42 be established by the Department of Education, but not including a  
43 person who is employed or appointed in the regular or normal  
44 course of employment or appointment procedures and consented to  
45 or approved in a general or routine manner appropriate for and

**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 followed by the political subdivision, or the agency or  
2 instrumentality thereof.

3 b. A board of education, or an agency or instrumentality  
4 thereof, shall not pay supplemental compensation to any officer or  
5 employee for accumulated unused sick leave earned after the  
6 effective date of P.L. , c. (pending before the Legislature as this  
7 bill) or after the expiration of collective negotiations agreement or  
8 an individual contract of employment with a relevant provision  
9 applicable to that officer or employee in effect on that date, except  
10 that an officer or employee who on the effective date of P.L. ,  
11 c. (pending before the Legislature as this bill), or upon the  
12 expiration of collective negotiations agreement or an individual  
13 contract of employment with a relevant provision applicable to that  
14 officer or employee in effect on that date, has accrued supplemental  
15 compensation based upon accumulated unused sick leave earned  
16 prior to the effective date shall continue to be eligible to receive the  
17 amount so accrued based on that sick leave that remains credited on  
18 the date of retirement. Supplemental compensation shall be payable  
19 only at the time of retirement from a State-administered or locally-  
20 administered retirement system based on the leave credited on the  
21 date of retirement.

22 c. (1) Payment of supplemental compensation for accumulated  
23 unused sick leave shall be suspended if an officer or employee has  
24 been indicted for any crime set forth in subsection b. of section 2 of  
25 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
26 the laws of another state or the United States which would have  
27 been a crime under the laws of this State, which crime or offense  
28 involves or touches such office or employment.

29 (2) Supplemental compensation for accumulated unused sick  
30 leave shall be forfeited if an officer or employee is convicted of any  
31 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
32 (C.43:1-3.1), or a substantially similar offense under the laws of  
33 another state or the United States which would have been a crime  
34 under the laws of this State, which crime or offense involves or  
35 touches such office or employment.

36 (cf: P.L.2007, c.92, s.44)

37

38 2. Section 3 of P.L.2010, c.3 (C.18A:30-3.6) is amended to  
39 read as follows:

40 3. a. Notwithstanding any law, rule or regulation to the  
41 contrary, a board of education, or an agency or instrumentality  
42 thereof, shall not pay supplemental compensation to any officer or  
43 employee for accumulated unused sick leave in an amount in excess  
44 of \$15,000. Supplemental compensation shall be payable only at  
45 the time of retirement from a State-administered or locally-  
46 administered retirement system based on the leave credited on the  
47 date of retirement. This provision shall apply only to officers and  
48 employees who commence service with the board of education, or

1 the agency or instrumentality thereof, on or after the effective date  
2 of P.L.2010, c.3. This section shall not be construed to affect the  
3 terms in any collective negotiations agreement with a relevant  
4 provision in force on that effective date.

5 b. A board of education, or an agency or instrumentality  
6 thereof, shall not pay supplemental compensation to any officer or  
7 employee who was in service with the employer prior to the  
8 effective date of P.L.2010, c.3 and continuously thereafter or who  
9 commenced service on or after that effective date for accumulated  
10 unused sick leave earned after the effective date of  
11 P.L. , c. (pending before the Legislature as this bill) or after the  
12 expiration of collective negotiations agreement or an individual  
13 contract of employment with a relevant provision applicable to that  
14 officer or employee in effect on that date, except that an officer or  
15 employee who on the effective date of P.L. , c. (pending before  
16 the Legislature as this bill), or upon the expiration of a collective  
17 negotiations agreement or an individual contract of employment  
18 with a relevant provision applicable to that officer or employee in  
19 effect on that date, has accrued supplemental compensation based  
20 upon accumulated unused sick leave earned prior to the effective  
21 date shall continue to be eligible to receive the amount so accrued  
22 based on that sick leave that remains credited on the date of  
23 retirement. Supplemental compensation shall be payable only at the  
24 time of retirement from a State-administered or locally-  
25 administered retirement system based on the leave credited on the  
26 date of retirement.

27 c. (1) Payment of supplemental compensation for accumulated  
28 unused sick leave shall be suspended if an officer or employee has  
29 been indicted for any crime set forth in subsection b. of section 2 of  
30 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
31 the laws of another state or the United States which would have  
32 been a crime under the laws of this State, which crime or offense  
33 involves or touches such office or employment.

34 (2) Supplemental compensation for accumulated unused sick  
35 leave shall be forfeited if an officer or employee is convicted of any  
36 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
37 (C.43:1-3.1), or a substantially similar offense under the laws of  
38 another state or the United States which would have been a crime  
39 under the laws of this State, which crime or offense involves or  
40 touches such office or employment.

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

42

43 3. Section 43 of P.L.2007, c.92 (C.40A:9-10.2) is amended to  
44 read as follows:

45 43. a. Notwithstanding any law, rule or regulation to the  
46 contrary, a political subdivision of the State, or an agency, authority  
47 or instrumentality thereof, that has not adopted the provisions of  
48 Title 11A of the New Jersey Statutes, shall not pay supplemental

**S1661 O'SCANLON**

1 compensation to any officer or employee for accumulated unused  
2 sick leave in an amount in excess of \$15,000 except that an officer  
3 or employee who:

4 (1) on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.),  
5 or upon the expiration of a collective negotiations agreement or  
6 contract of employment applicable to that officer or employee in  
7 effect on that date has accrued supplemental compensation based  
8 upon accumulated unused sick leave shall, upon retirement, be  
9 eligible to receive for any unused leave not more than the amount  
10 so accumulated or not more than \$15,000, whichever is greater; or

11 (2) becomes an officer or employee after the effective date of  
12 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued  
13 supplemental compensation based upon accumulated unused sick  
14 leave shall, upon retirement, be eligible to receive for any unused  
15 leave not more than the amount so previously accumulated or not  
16 more than \$15,000, whichever is greater.

17 Supplemental compensation shall be payable only at the time of  
18 retirement from a State-administered or locally-administered  
19 retirement system based on the leave credited on the date of  
20 retirement.

21 As used in this section, "officer or employee" means an elected  
22 official; or a person appointed by the Governor with the advice and  
23 consent of the Senate, or appointed by the Governor to serve at the  
24 pleasure of the Governor only during his or her term of office; or a  
25 person appointed by an elected public official or elected governing  
26 body of a political subdivision of the State, with the specific  
27 consent or approval of the elected governing body of the political  
28 subdivision that is substantially similar in nature to the advice and  
29 consent of the Senate for appointments by the Governor of the State  
30 as that similarity is determined by the elected governing body and  
31 set forth in an adopted ordinance or resolution, pursuant to  
32 guidelines or policy that shall be established by the Local Finance  
33 Board in the Department of Community Affairs, but not including a  
34 person who is employed or appointed in the regular or normal  
35 course of employment or appointment procedures and consented to  
36 or approved in a general or routine manner appropriate for and  
37 followed by the political subdivision, or the agency, authority or  
38 instrumentality of a subdivision, or a person who holds a  
39 professional license or certificate to perform and is performing as a  
40 certified health officer, tax assessor, tax collector, municipal  
41 planner, chief financial officer, registered municipal clerk,  
42 construction code official, licensed uniform subcode inspector,  
43 qualified purchasing agent, or certified public works manager.

44 b. A political subdivision of the State, or an agency, authority  
45 or instrumentality thereof, that has not adopted the provisions of  
46 Title 11A of the New Jersey Statutes, shall not pay supplemental  
47 compensation to any officer or employee for accumulated unused  
48 sick leave earned after the effective date of P.L. , c. (pending

1 before the Legislature as this bill) or after the expiration of  
2 collective negotiations agreement or an individual contract of  
3 employment with a relevant provision applicable to that officer or  
4 employee in effect on that date, except that an officer or employee  
5 who on the effective date of P.L. , c. (pending before the  
6 Legislature as this bill), or upon the expiration of collective  
7 negotiations agreement or an individual contract of employment  
8 with a relevant provision applicable to that officer or employee in  
9 effect on that date, has accrued supplemental compensation based  
10 upon accumulated unused sick leave earned prior to the effective  
11 date shall continue to be eligible to receive the amount so accrued  
12 based on that sick leave that remains credited on the date of  
13 retirement. Supplemental compensation shall be payable only at the  
14 time of retirement from a State-administered or locally-  
15 administered retirement system based on the leave credited on the  
16 date of retirement.

17 c. (1) Payment of supplemental compensation for accumulated  
18 unused sick leave shall be suspended if an officer or employee has  
19 been indicted for any crime set forth in subsection b. of section 2 of  
20 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
21 the laws of another state or the United States which would have  
22 been a crime under the laws of this State, which crime or offense  
23 involves or touches such office or employment.

24 (2) Supplemental compensation for accumulated unused sick  
25 leave shall be forfeited if an officer or employee is convicted of any  
26 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
27 (C.43:1-3.1), or a substantially similar offense under the laws of  
28 another state or the United States which would have been a crime  
29 under the laws of this State, which crime or offense involves or  
30 touches such office or employment.

31 (cf: P.L.2007, c.92, s.43)

32

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

35 2. a. Notwithstanding any law, rule or regulation to the  
36 contrary, a political subdivision of the State, or an agency, authority  
37 or instrumentality thereof, that has not adopted the provisions of  
38 Title 11A of the New Jersey Statutes, shall not pay supplemental  
39 compensation to any officer or employee for accumulated unused  
40 sick leave in an amount in excess of \$15,000. Supplemental  
41 compensation shall be payable only at the time of retirement from a  
42 State-administered or locally-administered retirement system based  
43 on the leave credited on the date of retirement. This provision shall  
44 apply only to officers and employees who commence service with  
45 the political subdivision of the State, or the agency, authority or  
46 instrumentality thereof, on or after the effective date of P.L.2010,  
47 c.3. This section shall not be construed to affect the terms in any

1 collective negotiations agreement with a relevant provision in force  
2 on that effective date.

3 b. A political subdivision of the State, or an agency, authority  
4 or instrumentality thereof, that has not adopted the provisions of  
5 Title 11A of the New Jersey Statutes, shall not pay supplemental  
6 compensation to any officer or employee who was in service with  
7 the employer prior to the effective date of P.L.2010, c.3 and  
8 continuously thereafter or who commenced service on or after that  
9 effective date for accumulated unused sick leave earned after the  
10 effective date of P.L. , c. (pending before the Legislature as this  
11 bill) or after the expiration of collective negotiations agreement or  
12 an individual contract of employment with a relevant provision  
13 applicable to that officer or employee in effect on that date, except  
14 that an officer or employee who on the effective date of  
15 P.L. , c. (pending before the Legislature as this bill), or upon the  
16 expiration of a collective negotiations agreement or an individual  
17 contract of employment with a relevant provision applicable to that  
18 officer or employee in effect on that date, has accrued supplemental  
19 compensation based upon accumulated unused sick leave earned  
20 prior to the effective date shall continue to be eligible to receive the  
21 amount so accrued based on that sick leave that remains credited on  
22 the date of retirement. Supplemental compensation shall be payable  
23 only at the time of retirement from a State-administered or locally-  
24 administered retirement system based on the leave credited on the  
25 date of retirement.

26 c. (1) Payment of supplemental compensation for accumulated  
27 unused sick leave shall be suspended if an officer or employee has  
28 been indicted for any crime set forth in subsection b. of section 2 of  
29 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
30 the laws of another state or the United States which would have  
31 been a crime under the laws of this State, which crime or offense  
32 involves or touches such office or employment.

33 (2) Supplemental compensation for accumulated unused sick  
34 leave shall be forfeited if an officer or employee is convicted of any  
35 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
36 (C.43:1-3.1), or a substantially similar offense under the laws of  
37 another state or the United States which would have been a crime  
38 under the laws of this State, which crime or offense involves or  
39 touches such office or employment.

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

41

42 5. N.J.S.11A:6-16 is amended to read as follows:

43 11A:6-16. Supplemental compensation upon retirement in State  
44 employment.

45 a. State employees in the career service, and those in the senior  
46 executive and unclassified services who have been granted sick  
47 leave under terms and conditions similar to career service  
48 employees, shall be entitled upon retirement from a State-

1 administered retirement system to receive a lump sum payment as  
2 supplemental compensation for each full day of accumulated sick  
3 leave which is credited on the effective date of retirement.

4 b. The State shall not pay supplemental compensation to any  
5 officer or employee who was in service with the employer prior to  
6 the effective date of P.L. , c. (pending before the Legislature as  
7 this bill) and continuously thereafter or who commenced service on  
8 or after that effective date for accumulated unused sick leave earned  
9 after the effective date of P.L. , c. (pending before the Legislature  
10 as this bill) or after the expiration of collective negotiations  
11 agreement or an individual contract of employment with a relevant  
12 provision applicable to that officer or employee in effect on that  
13 date, except that an officer or employee who on the effective date of  
14 P.L. , c. (pending before the Legislature as this bill), or upon the  
15 expiration of a collective negotiations agreement or an individual  
16 contract of employment with a relevant provision applicable to that  
17 officer or employee in effect on that date, has accrued supplemental  
18 compensation based upon accumulated unused sick leave earned  
19 prior to the effective date shall continue to be eligible to receive the  
20 amount so accrued based on that sick leave that remains credited on  
21 the date of retirement as calculated in accordance with N.J.S.11A:6-  
22 19. Supplemental compensation shall be payable only at the time of  
23 retirement from a State-administered or locally-administered  
24 retirement system based on the leave credited on the date of  
25 retirement. This subsection shall be applicable to employees  
26 described in N.J.S.11A:6-17.

27 c. (1) Payment of supplemental compensation for accumulated  
28 unused sick leave shall be suspended if an officer or employee has  
29 been indicted for any crime set forth in subsection b. of section 2 of  
30 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
31 the laws of another state or the United States which would have  
32 been a crime under the laws of this State, which crime or offense  
33 involves or touches such office or employment.

34 (2) Supplemental compensation for accumulated unused sick  
35 leave shall be forfeited if an officer or employee is convicted of any  
36 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
37 (C.43:1-3.1), or a substantially similar offense under the laws of  
38 another state or the United States which would have been a crime  
39 under the laws of this State, which crime or offense involves or  
40 touches such office or employment.

41 (cf: N.J.S.11A:6-16)

42  
43 6. Section 42 of P.L.2007, c.92 (C.11A:6-19.1) is amended to  
44 read as follows:

45 42. a. Notwithstanding any law, rule or regulation to the  
46 contrary, a political subdivision of the State, or an agency, authority  
47 or instrumentality thereof, that has adopted the provisions of Title  
48 11A of the New Jersey Statutes, shall not pay supplemental



**S1661 O'SCANLON**

1 compensation to any officer or employee for accumulated unused  
2 sick leave in an amount in excess of \$15,000, except that an officer  
3 or employee who:

4 (1) on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.),  
5 or upon the expiration of a collective negotiations agreement or  
6 contract of employment applicable to that officer or employee in  
7 effect on that date has accrued supplemental compensation based  
8 upon accumulated unused sick leave shall, upon retirement, be  
9 eligible to receive for any unused leave not more than the amount  
10 so accumulated or not more than \$15,000 whichever is greater; or

11 (2) becomes an officer or employee after the effective date of  
12 P.L.2007, c.92 (C.43:15C-1 et al.) and has previously accrued  
13 supplemental compensation based upon accumulated unused sick  
14 leave shall, upon retirement, be eligible to receive for any unused  
15 leave not more than the amount so previously accumulated or not  
16 more than \$15,000, whichever is greater.

17 Supplemental compensation shall be payable only at the time of  
18 retirement from a State-administered or locally-administered  
19 retirement system based on the leave credited on the date of  
20 retirement.

21 As used in this section, "officer or employee" means an elected  
22 official; or a person appointed by the Governor with the advice and  
23 consent of the Senate, or appointed by the Governor to serve at the  
24 pleasure of the Governor only during his or her term of office; or a  
25 person appointed by an elected public official or elected governing  
26 body of a political subdivision of the State, with the specific  
27 consent or approval of the elected governing body of the political  
28 subdivision that is substantially similar in nature to the advice and  
29 consent of the Senate for appointments by the Governor of the State  
30 as that similarity is determined by the elected governing body and  
31 set forth in an adopted ordinance or resolution, pursuant to  
32 guidelines or policy that shall be established by the Local Finance  
33 Board in the Department of Community Affairs, but not including a  
34 person who is employed or appointed in the regular or normal  
35 course of employment or appointment procedures and consented to  
36 or approved in a general or routine manner appropriate for and  
37 followed by the political subdivision, or the agency, authority or  
38 instrumentality of a subdivision, or a person who holds a  
39 professional license or certificate to perform and is performing as a  
40 certified health officer, tax assessor, tax collector, municipal  
41 planner, chief financial officer, registered municipal clerk,  
42 construction code official, licensed uniform subcode inspector,  
43 qualified purchasing agent, or certified public works manager.

44 b. A political subdivision of the State, or an agency, authority  
45 or instrumentality thereof, that has adopted the provisions of Title  
46 11A of the New Jersey Statutes, shall not pay supplemental  
47 compensation to any officer or employee for accumulated unused  
48 sick leave earned after the effective date of P.L. , c. (pending

1 before the Legislature as this bill) or after the expiration of  
2 collective negotiations agreement or an individual contract of  
3 employment with a relevant provision applicable to that officer or  
4 employee in effect on that date, except that an officer or employee  
5 who on the effective date of P.L. , c. (pending before the  
6 Legislature as this bill), or upon the expiration of collective  
7 negotiations agreement or an individual contract of employment  
8 with a relevant provision applicable to that officer or employee in  
9 effect on that date, has accrued supplemental compensation based  
10 upon accumulated unused sick leave earned prior to the effective  
11 date shall continue to be eligible to receive the amount so accrued  
12 based on that sick leave that remains credited on the date of  
13 retirement. Supplemental compensation shall be payable only at the  
14 time of retirement from a State-administered or locally-  
15 administered retirement system based on the leave credited on the  
16 date of retirement.

17 c. (1) Payment of supplemental compensation for accumulated  
18 unused sick leave shall be suspended if an officer or employee has  
19 been indicted for any crime set forth in subsection b. of section 2 of  
20 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
21 the laws of another state or the United States which would have  
22 been a crime under the laws of this State, which crime or offense  
23 involves or touches such office or employment.

24 (2) Supplemental compensation for accumulated unused sick  
25 leave shall be forfeited if an officer or employee is convicted of any  
26 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
27 (C.43:1-3.1), or a substantially similar offense under the laws of  
28 another state or the United States which would have been a crime  
29 under the laws of this State, which crime or offense involves or  
30 touches such office or employment.

31 (cf: P.L.2007, c.92, s.42)

32

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

35 1. a. Notwithstanding any law, rule or regulation to the  
36 contrary, a political subdivision of the State, or an agency, authority  
37 or instrumentality thereof, that has adopted the provisions of Title  
38 11A of the New Jersey Statutes, shall not pay supplemental  
39 compensation to any officer or employee for accumulated unused  
40 sick leave in an amount in excess of \$15,000. Supplemental  
41 compensation shall be payable only at the time of retirement from a  
42 State-administered or locally-administered retirement system based  
43 on the leave credited on the date of retirement. This provision shall  
44 apply only to officers and employees who commence service with  
45 the political subdivision of the State, or the agency, authority or  
46 instrumentality thereof, on or after the effective date of P.L.2010,  
47 c.3. This section shall not be construed to affect the terms in any

1 collective negotiations agreement with a relevant provision in force  
2 on that effective date.

3 b. A political subdivision of the State, or an agency, authority  
4 or instrumentality thereof, that has adopted the provisions of Title  
5 11A of the New Jersey Statutes, shall not pay supplemental  
6 compensation to any officer or employee who was in service with  
7 the employer prior to the effective date of P.L.2010, c.3 and  
8 continuously thereafter or who commenced service on or after that  
9 effective date for accumulated unused sick leave earned after the  
10 effective date of P.L. , c. (pending before the Legislature as this  
11 bill) or after the expiration of collective negotiations agreement or  
12 an individual contract of employment with a relevant provision  
13 applicable to that officer or employee in effect on that date, except  
14 that an officer or employee who on the effective date of  
15 P.L. , c. (pending before the Legislature as this bill), or upon the  
16 expiration of a collective negotiations agreement or an individual  
17 contract of employment with a relevant provision applicable to that  
18 officer or employee in effect on that date, has accrued supplemental  
19 compensation based upon accumulated unused sick leave earned  
20 prior to the effective date shall continue to be eligible to receive the  
21 amount so accrued based on that sick leave that remains credited on  
22 the date of retirement. Supplemental compensation shall be payable  
23 only at the time of retirement from a State-administered or locally-  
24 administered retirement system based on the leave credited on the  
25 date of retirement.

26 c. (1) Payment of supplemental compensation for accumulated  
27 unused sick leave shall be suspended if an officer or employee has  
28 been indicted for any crime set forth in subsection b. of section 2 of  
29 P.L.2007, c.49 (C.43:1-3.1), or a substantially similar offense under  
30 the laws of another state or the United States which would have  
31 been a crime under the laws of this State, which crime or offense  
32 involves or touches such office or employment.

33 (2) Supplemental compensation for accumulated unused sick  
34 leave shall be forfeited if an officer or employee is convicted of any  
35 crime set forth in subsection b. of section 2 of P.L.2007, c.49  
36 (C.43:1-3.1), or a substantially similar offense under the laws of  
37 another state or the United States which would have been a crime  
38 under the laws of this State, which crime or offense involves or  
39 touches such office or employment.

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

41

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

43 11A:6-5. Sick leave. a. Full-time State and political  
44 subdivision employees shall receive a sick leave credit of no less  
45 than one working day for each completed month of service during  
46 the remainder of the first calendar year of service and 15 working  
47 days in every year thereafter. Unused sick leave shall accumulate  
48 without limit.

1       b. Notwithstanding the provisions of any other law, rule, or  
2 regulation to the contrary, the use of six or more consecutive days  
3 of accumulated sick leave without a medical necessity verified in  
4 writing by a physician shall be prohibited. The commission shall  
5 promulgate rules and procedures to ensure that verification of  
6 medical necessity is provided. The rules shall provide that the  
7 employer may require the officer or employee to submit to an  
8 examination by a physician selected by the employer to verify the  
9 medical necessity. For the first violation of this subsection, the  
10 employer shall treat the time taken as unpaid leave and impose a  
11 minimum disciplinary penalty of a fine equivalent to one and one-  
12 half times the daily rate of compensation for each day of violation.  
13 For the second violation of this subsection, in addition to treating  
14 the time taken as unpaid leave, the employer shall impose a  
15 minimum disciplinary penalty of a fine in an amount equivalent to  
16 three times the daily rate of compensation for each day of violation.  
17 For the third violation of this subsection, in addition to treating the  
18 time taken as unpaid leave, the employer shall have good cause for  
19 termination of the employee. The minimum penalties set forth for  
20 the first and second violations may be increased at the discretion of  
21 the employer based upon the prior record of the employee. The  
22 time converted to unpaid leave under this section shall also be  
23 deducted from the number of unused sick leave days credited on the  
24 effective date of retirement upon which supplemental  
25 compensation, if any, for the employee at the time of retirement is  
26 calculated.

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

28  
29       9. (New section) Notwithstanding the provisions of any other  
30 law, rule, or regulation to the contrary, for officers or employees of  
31 a political subdivision of the State, or any agency, authority or  
32 instrumentality thereof, or any agency, authority or instrumentality  
33 thereof, that has not adopted the provisions of Title 11A, Civil  
34 Service, of the New Jersey Statutes, the use of six or more  
35 consecutive days of accumulated sick leave without a medical  
36 necessity verified in writing by a physician shall be prohibited. The  
37 governing body of a political subdivision shall promulgate rules and  
38 procedures to ensure that verification of medical necessity is  
39 provided. The rules shall provide that the employer may require the  
40 officer or employee to submit to an examination by a physician  
41 selected by the employer to verify the medical necessity. For the  
42 first violation of this subsection, the employer shall treat the time  
43 taken as unpaid leave and impose a minimum disciplinary penalty  
44 of a fine equivalent to one and one-half times the daily rate of  
45 compensation for each day of violation. For the second violation of  
46 this subsection, in addition to treating the time taken as unpaid  
47 leave, the employer shall impose a minimum disciplinary penalty of  
48 a fine in an amount equivalent to three times the daily rate of

1 compensation for each day of violation. For the third violation of  
2 this subsection, in addition to treating the time taken as unpaid  
3 leave, the employer shall have good cause for termination of the  
4 employee. The minimum penalties set forth for the first and second  
5 violations may be increased at the discretion of the employer based  
6 upon the prior record of the employee. The time converted to  
7 unpaid leave under this section shall also be deducted from the  
8 number of unused sick leave days credited on the effective date of  
9 retirement upon which supplemental compensation, if any, for the  
10 employee at the time of retirement is calculated.

11

12 10. (New section) Notwithstanding the provisions of any other  
13 law, rule, or regulation to the contrary, for officers or employees of  
14 a school board, or any agency or instrumentality thereof, or any  
15 agency, authority or instrumentality thereof, the use of six or more  
16 consecutive days of accumulated sick leave without a medical  
17 necessity verified in writing by a physician shall be prohibited. The  
18 board shall promulgate rules and procedures to ensure that  
19 verification of medical necessity is provided. The rules shall  
20 provide that the employer may require the officer or employee to  
21 submit to an examination by a physician selected by the employer  
22 to verify the medical necessity. For the first violation of this  
23 subsection, the employer shall treat the time taken as unpaid leave  
24 and impose a minimum disciplinary penalty of a fine equivalent to  
25 one and one-half times the daily rate of compensation for each day  
26 of violation. For the second violation of this subsection, in addition  
27 to treating the time taken as unpaid leave, the employer shall  
28 impose a minimum disciplinary penalty of a fine in an amount  
29 equivalent to three times the daily rate of compensation for each  
30 day of violation. For the third violation of this subsection, in  
31 addition to treating the time taken as unpaid leave, the employer  
32 shall have good cause for termination of the employee. The  
33 minimum penalties set forth for the first and second violations may  
34 be increased at the discretion of the employer based upon the prior  
35 record of the employee. The time converted to unpaid leave under  
36 this section shall also be deducted from the number of unused sick  
37 leave days credited on the effective date of retirement upon which  
38 supplemental compensation, if any, for the employee at the time of  
39 retirement is calculated.

40

41 11. (New section) The Attorney General shall develop  
42 guidelines or establish procedures to ensure that public employers  
43 are notified when a public officer or employee is indicted for, or  
44 convicted of, any crime or offense set forth in subsection b. of  
45 section 2 of P.L.2007, c.49 (C.43:1-3.1) in order to effectuate the  
46 suspension or forfeiture of payment for supplemental compensation  
47 as provided by subsection c. of section 44 of P.L.2007, c.92  
48 (C.18A:30-3.5), subsection c. of section 3 of P.L.2010, c.3

1 (C.18A:30-3.6), subsection c. of section 43 of P.L.2007, c.92  
2 (C.40A:9-10.2), and subsection c. of section 2 of P.L.2010, c.3  
3 (C.40A:9-10.4).

4  
5 12. (New section) The provisions of subsection c. of section 44  
6 of P.L.2007, c.92 (C.18A:30-3.5), subsection c. of section 3 of  
7 P.L.2010, c.3 (C.18A:30-3.6), subsection c. of section 43 of  
8 P.L.2007, c.92 (C.40A:9-10.2), and subsection c. of section 2 of  
9 P.L.2010, c.3 (C.40A:9-10.4) providing for the suspension or  
10 forfeiture of payment for supplemental compensation shall apply  
11 only in the case of crimes or offenses committed after the effective  
12 date of P.L. , c. (C. ) (pending before the Legislature as this  
13 bill).

14  
15 13. This act shall take effect on the first day of the second  
16 month following enactment.

17  
18  
19 STATEMENT

20  
21 This bill prohibits the payment by the State, local governments,  
22 and boards of education of supplemental compensation to any  
23 current or future public officer or employee for accumulated unused  
24 sick leave earned after the bill's effective date. Supplemental  
25 compensation for any time earned prior to that date will be payable  
26 as under current law. In addition, the bill provides that the payment  
27 of supplemental compensation for unused sick leave will be  
28 suspended if an officer or employee is indicted for any of the crimes  
29 which under current law are grounds for pension forfeiture and that  
30 supplemental compensation will be forfeited upon conviction. The  
31 bill also requires all public officers and employees to provide  
32 medical documentation for absences of six or more consecutive  
33 days and imposes penalties for the failure to do so.

34 The bill requires the Attorney General to develop guidelines or  
35 establish procedures to ensure that public employers are notified  
36 when a public officer or employee is indicted for, or convicted of,  
37 any crime or offense that triggers the suspension or forfeiture of  
38 payment for supplemental compensation. It also provides that the  
39 suspension or forfeiture of payment for supplemental compensation  
40 will apply only in the case of crimes or offenses committed after the  
41 bill's effective date.

42 The bill will take effect on the first day of the second month  
43 following enactment.