

CHAPTER 52

AN ACT concerning the powers of the director of the board of freeholders over county authorities, supplementing Title 40 of the Revised Statutes and amending various parts of the statutory law.

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

C.40:20-71.3 Veto power of director of board of chosen freeholders, certain.

1. a. The director of the board of chosen freeholders is authorized and empowered, with the consent of a majority of the members of the board, but not otherwise, to veto any action taken by any county authority or any member thereof at a meeting of a county authority. No action taken at a meeting by members of any county authority shall be effective if the director of the board of chosen freeholders returns to the authority a copy of the minutes with a veto of any action taken by the authority or any member thereof at a meeting of the authority or until 10 days after a copy of the minutes shall have been delivered to each member of the board of chosen freeholders.

b. "County authority" in this section means a body, public and corporate, created by a county pursuant to any law authorizing that creation, which law provides that the public body so created has at least the following powers:

- (1) To adopt and use a corporate seal;
- (2) To sue and be sued;
- (3) To acquire and hold real or personal property for its purposes; and
- (4) To provide for and secure the payment of its bonds or other obligations, or to provide for the assessment of a tax on real property within its district, or to impose charges for the use of its facilities or any combination thereof.

2. Section 5 of P.L.1946, c.138 (C.40:14A-5) is amended to read as follows:

C.40:14A-5 Powers of sewerage authority.

5. (a) The powers of a sewerage authority shall be vested in the members thereof in office from time to time. A majority of the entire authorized membership of the sewerage authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the sewerage authority at any meeting of the members thereof by vote of a majority of the members present, unless in any case the by-laws of the sewerage authority shall require a larger number. The sewerage authority may delegate to one or more of its officers, agents or employees such powers and duties as it may deem proper.

The minutes of every meeting of an authority created by a county organized pursuant to the provisions of the "county executive plan" of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.) shall be delivered by the end of the fifth business day following the meeting, except as otherwise provided herein, by and under the certification of the secretary of the authority to the county executive. Except as otherwise provided herein, no action taken at a meeting by the members of an authority shall be effective until approved by the county executive or until 10 days after the copy of the minutes shall have been delivered. If, within the 10-day period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at a meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 10 days of the receipt of the veto action. The county executive may approve all or any part

of an action taken at a meeting prior to the expiration of the 10-day period. If the county executive takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto powers accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

No resolution or other action of the authority providing for the issuance or refunding of bonds or other financial obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the county executive. This power shall be exercised with due regard for the rights of the holders of bonds of the authority at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict or alter the obligations or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or for the benefit, protection or security of the holders thereof.

If two-thirds or more of the members of an authority make a determination that an action taken at a meeting is in response to an emergency situation, a copy of the minutes of that meeting shall be delivered to the county executive as soon as practicable following the meeting and the county executive shall have up to 24 hours after the copy of the minutes has been delivered to approve or veto the minutes of that meeting. If the county executive takes no action with respect to the minutes within the 24-hour period, the minutes shall be deemed approved. If, within the 24-hour period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 48 hours of the receipt of the veto action.

(b) Each member of a sewerage authority shall hold office for the term for which he was appointed and until his successor has been appointed and has qualified.

(c) No member, officer or employee of a sewerage authority shall have or acquire any interest, direct or indirect, in the sewerage system or in any property included or planned to be included in the sewerage system or in any contract or proposed contract for materials or services to be furnished to or used by the sewerage authority, but neither the holding of any office or employment in the government of any county or municipality or under any law of the State nor the owning of any property within the State shall be deemed a disqualification for membership in or employment by a sewerage authority, and members of the governing body of a local unit may be appointed by such governing body and may serve as members of a sewerage authority. A member of a sewerage authority may be removed only by the governing body by which he was appointed and only for inefficiency or neglect of duty or misconduct in office and after he shall have been given a copy of the charges against him and, not sooner than ten days thereafter, had opportunity in person or by counsel to be heard thereon by such governing body.

(d) A sewerage authority may reimburse its members for necessary expenses incurred in the discharge of their duties. The resolution, ordinance or parallel ordinances for the creation of a sewerage authority may provide that the members of the sewerage authority may receive compensation for their services within an annual and other limitations to be stated in such resolution, ordinance or parallel ordinances, and in that event, each member may receive from the sewerage authority such compensation for his services as the sewerage authority

may determine within the limitations stated in such resolution, ordinance or parallel ordinances. The said annual or other limitations stated in any such resolution, ordinance or parallel ordinances may be amended by subsequent resolution, ordinance or parallel ordinances, as the case may be, but no reduction of any such limitation shall be effective as to any member of the sewerage authority then in office except upon the written consent of the sewerage authority. No member of any sewerage authority shall receive any compensation for his services except as provided in this subsection.

(e) Every sewerage authority, upon the first appointment of its members and thereafter on or after the first day of February in each year, shall annually elect from among its members a chairman and a vice-chairman who shall hold office, until the first day of February next ensuing and until their respective successors have been appointed and have qualified. Every sewerage authority may also, without regard to the provisions of Title 11 of the Revised Statutes, appoint and employ a secretary and such professional and technical advisers and experts and such other officers, agents and employees as it may require, and shall determine their qualifications, terms of office, duties and compensation.

(f) The minutes of every meeting of an authority created by a county which has not adopted the provisions of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), shall be delivered by the end of the fifth business day following the meeting, by and under the certification of the secretary of the authority to each member of the county board of freeholders. No action taken at a meeting by the members of an authority shall be effective if, within 10 days after the copy of the minutes shall have been delivered to each member of the board of freeholders, such action is vetoed by the director of the board of freeholders, with the concurrence of a majority of the members of the board of freeholders. If, within the 10-day period, the board of freeholders returns to the authority the copy of the minutes with a veto of any action taken by the authority or any of the authority's members thereof at a meeting, that action shall be of no effect. If the director takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto power accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

3. Section 14 of P.L.1957, c.183 (C.40:14B-14) is amended to read as follows:

C.40:14B-14 Powers vested in members, quorum; minutes, approval.

14. a. The powers of a municipal authority shall be vested in the members thereof in office from time to time. A majority of the entire authorized membership of the municipal authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the municipal authority at any meeting of the members thereof by vote of a majority of the members present, unless in any case the by-laws of the municipal authority shall require a larger number.

b. The minutes of every meeting of an authority created by a county organized pursuant to the provisions of the "county executive plan" of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.) shall be delivered by the end of the fifth business day following the meeting, except as otherwise provided in subsection d. of this section, by and under the certification of the secretary of the authority to the county executive. Except as otherwise provided in subsection d. of this section, no action taken at a meeting by the members of an authority shall be effective until approved by the county executive or until 10 days after the copy of the minutes shall have been delivered. If, within the 10-day period,

the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at a meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 10 days of the receipt of the veto action. The county executive may approve all or any part of an action taken at a meeting prior to the expiration of the 10-day period. If the county executive takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto powers accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

c. No resolution or other action of the authority providing for the issuance or refunding of bonds or other financial obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the county executive. This power shall be exercised with due regard for the rights of the holders of bonds of the authority at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict or alter the obligations or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or for the benefit, protection or security of the holders thereof.

d. If two-thirds or more of the members of an authority make a determination that an action taken at a meeting is in response to an emergency situation, a copy of the minutes of that meeting shall be delivered to the county executive as soon as practicable following the meeting and the county executive shall have up to 24 hours after the copy of the minutes has been delivered to approve or veto the minutes of that meeting. If the county executive takes no action with respect to the minutes within the 24-hour period, the minutes shall be deemed approved. If, within the 24-hour period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 48 hours of the receipt of the veto action.

e. The minutes of every meeting of an authority created by a county which has not adopted the provisions of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), shall be delivered by the end of the fifth business day following the meeting, by and under the certification of the secretary of the authority to each member of the county board of freeholders. No action taken at a meeting by the members of an authority shall be effective if within 10 days after the copy of the minutes shall have been delivered to each member of the board of freeholders, such action is vetoed by the director of the board of freeholders, with the concurrence of a majority of the members of the board of freeholders. If, within the 10-day period, the board of freeholders returns to the authority the copy of the minutes with a veto of any action taken by the authority or any of the authority's members thereof at a meeting, that action shall be of no effect. If the director takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto power accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

4. Section 7 of P.L.1960, c.183 (C.40:37A-50) is amended to read as follows:

C.40:37A-50 Powers vested in members, quorum; minutes, approval.

7. a. The powers of an authority shall be vested in the members thereof in office from time to time, and a majority of the entire authorized voting membership of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting of the members thereof by the affirmative vote of a majority of the voting members present, unless in any case the bylaws of the authority shall require a larger number.

b. The minutes of every meeting of an authority created by a county organized pursuant to the provisions of the "county executive plan" of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.) shall be delivered by the end of the fifth business day following the meeting, except as otherwise provided in subsection d. of this section, by and under the certification of the secretary of the authority to the county executive. Except as otherwise provided in subsection d. of this section, no action taken at a meeting by the members of an authority shall be effective until approved by the county executive or until 10 days after the copy of the minutes shall have been delivered. If, within the 10-day period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at a meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 10 days of the receipt of the veto action. The county executive may approve all or any part of an action taken at a meeting prior to the expiration of the 10-day period. If the county executive takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto powers accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

c. No resolution or other action of the authority providing for the issuance or refunding of bonds or other financial obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the county executive. This power shall be exercised with due regard for the rights of the holders of bonds of the authority at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or for the benefit, protection or security of the holders thereof.

d. If two-thirds or more of the members of an authority make a determination that an action taken at a meeting is in response to an emergency situation, a copy of the minutes of that meeting shall be delivered to the county executive as soon as practicable following the meeting and the county executive shall have up to 24 hours after the copy of the minutes has been delivered to approve or veto the minutes of that meeting. If the county executive takes no action with respect to the minutes within the 24-hour period, the minutes shall be deemed approved. If, within the 24-hour period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of

freeholders overrides the veto of the action by a majority vote of its full membership within 48 hours of the receipt of the veto action.

e. The minutes of every meeting of an authority created by a county which has not adopted the provisions of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), shall be delivered by the end of the fifth business day following the meeting, by and under the certification of the secretary of the authority to each member of the county board of freeholders. No action taken at a meeting by the members of an authority shall be effective if within 10 days after the copy of the minutes shall have been delivered to each member of the board of freeholders, such action is vetoed by the director of the board of freeholders, with the concurrence of a majority of the members of the board of freeholders. If, within the 10-day period, the board of freeholders returns to the authority the copy of the minutes with a veto of any action taken by the authority or any of the authority's members thereof at a meeting, that action shall be of no effect. If the director takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto power accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

5. This act shall take effect immediately.

Approved August 18, 2010.