

CHAPTER 21

AN ACT permitting local units of government to enter into shared services agreements with federal military installations located in the State and amending P.L.2007, c.63.

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

1. Section 4 of P.L.2007, c.63 (C.40A:65-4) is amended to read as follows:

C.40A:65-4 Agreements for shared services.

4. a. (1) Any local unit may enter into an agreement with any other local unit or units to provide or receive any service that each local unit participating in the agreement is empowered to provide or receive within its own jurisdiction, including services incidental to the primary purposes of any of the participating local units including services from licensed or certified professionals required by statute to be appointed.

In the case of pilot municipalities, tenure rights shall not prohibit the sharing of services for a municipal clerk, a chief financial officer, an assessor, a tax collector, a municipal treasurer, or a municipal superintendent of public works. The statutory requirements that each municipality must appoint a municipal clerk, a chief financial officer, an assessor, a tax collector, a municipal treasurer, a municipal engineer, and a principal public works manager shall, for those pilot municipalities, permit and include the provision of the services of any of those municipal employees through a shared service agreement pursuant to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.). The shared service agreement shall be subject to the provisions of subsection d. of this section and of section 3 of P.L.2013, c.166 (C.40A:65-4.2).

In a shared service agreement between pilot municipalities for the services of a municipal clerk, a chief financial officer, an assessor, a tax collector, a municipal treasurer, or a municipal superintendent of public works, the agent-party, as that term is used in subsection d. of section 7 of P.L.2007, c.63 (C.40A:65-7), shall select for employment under the agreement one of the employees of the pilot municipalities that are party to the agreement who was employed in that same capacity prior to the approval of the agreement.

(2) Notwithstanding any law, rule or regulation to the contrary, any agreement between local units for the provision of shared services shall be entered into pursuant to sections 1 to 37 of P.L.2007, c.63 (C.40A:65-1 et al.); provided, however, that agreements regarding shared services that are otherwise regulated by statute, rule, or regulation are specifically excluded from sections 1 to 37 of P.L.2007, c.63 (C.40A:65-1 et al.).

(3) The board is authorized to render a decision in the determination of the statutory basis under which a specific shared service is governed.

b. Any agreement entered into pursuant to this section shall be filed, for informational purposes, with the Division of Local Government Services in the Department of Community Affairs, together with an estimate of the cost savings anticipated to be achieved by the local units that are the parties to the agreement in the case of an agreement between pilot municipalities, pursuant to rules and regulations promulgated by the director.

c. In the case of a pilot municipality, a tenured municipal clerk, chief financial officer, assessor, tax collector, municipal superintendent of public works, or municipal treasurer may be dismissed to effectuate the sharing of a service entered into pursuant to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.) and such dismissal shall be deemed to be in the interest of the economy or efficiency of the participants in the shared service agreement.

d. In the case of a pilot municipality, a tenured municipal clerk, chief financial officer, assessor, tax collector, municipal superintendent of public works, or municipal treasurer who has been dismissed to effectuate a shared service agreement entered into pursuant to the

provisions of P.L.2007, c.63 (C.40A:65-1 et seq.) shall be reappointed to his or her former position, and shall regain his or her tenured status, if the shared service agreement is cancelled, or expires, within the two-year period immediately following the dismissal of that person.

e. Notwithstanding any law, rule, or regulation to the contrary, a local unit or units may enter into a shared service agreement with a federal military base, to the extent permitted by 10 U.S.C. s.2679, under which services would be provided to the extent a local unit involved in the agreement is empowered to provide those services within its own jurisdiction. This subsection shall not be construed to impact existing federal or State civil service laws, rules, or regulations with respect to federal employees or employees of a local unit. Where federal law and State law conflict regarding the content and duration of such agreements, federal law shall control.

2. This act shall take effect immediately.

Approved February 10, 2017.