



Lashway, Lisa

From: Lashway, Lisa
Sent: Wednesday, February 15, 2012 9:14 AM
To: Canning, Sean; Greenbaum, Rob
Subject: Correspondence - FW: BPU

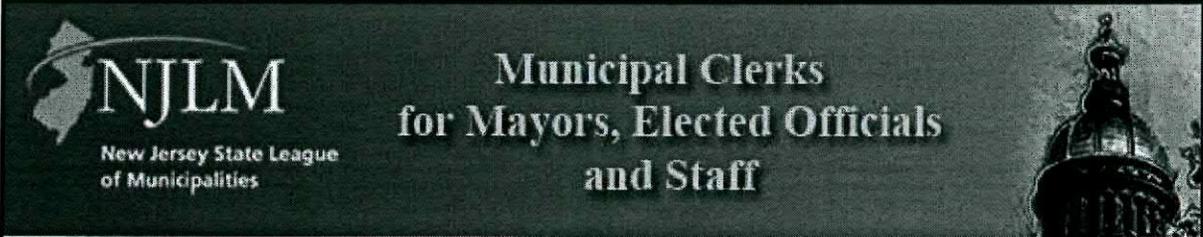
Please see information below.

Michelle Masser
Deputy Clerk

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973-691-0900 Ext. 7290

From: NJLM to Municipal Officials [mailto:njlm-clerks@cityconnections.com]
Sent: Tuesday, February 14, 2012 4:34 PM
To: Lashway, Lisa
Subject: BPU

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February 14, 2012

Re: I. S-1564 Accumulated Sick Leave
II. BPU Welcomes Comments on Preliminary Storm Response

Report

Dear Mayor:

I. S-1564 Accumulated Sick Leave

Senate President Sweeney has introduced S-1564, which prohibits payment of supplemental compensation for unused sick earned by public officers and employees after the effective date.

The bill would take effect on the 1st day of the second month following enactment. While it is commendable that this issue is back on the legislative agenda and is a start at resuming discussions on this issue, we have concerns with the proposed bill, as drafted.

S-1564 prohibits the payment of supplemental compensation for unused sick days to any “officer or employee”. According to S-1564, officer or employee is defined, in part, as:

“...or a person appointed by an elected public official or elected governing body of a political subdivision of the State, with the specific consent or approval of the elected governing body of the political subdivision that is substantially similar in nature to the advice and consent of the Senate for appointments by the Governor of the State as that similarity is determined by the elected governing body and set forth in an adopted ordinance or resolution, pursuant to guidelines or policy that shall be established by the Local Finance Board in the Department of Community Affairs, but not including a person who is employed or appointed in the regular or normal course of employment or appointment procedures and consented to or approved in a general or routine manner appropriate for and followed by the political subdivision, or the agency, authority or instrumentality of a subdivision, or a person who holds a professional license or certificate to perform and is performing as a certified health officer, tax assessor, tax collector, municipal planner, chief financial officer, registered municipal clerk, construction code official, licensed uniform subcode inspector, qualified purchasing agent, or certified public works manager.”

As introduced, S-1564 will only impact a very small number of employees and omits any employee in a collective bargaining unit. In the school

context, it has been interpreted to only cover superintendents and high level administrators, leaving teachers and other Board employees appointed in the regular course of business unaffected by the legislation. In a similar vein, it leaves out police officers, firefighters and rank and file public employees. This definition should be revised if the intent of S-1564 is to cover all public employees.

In addition, S-1564 limits the accumulated sick leave compensation to that earned after the effective date of the legislation or the expiration of a collective negotiations agreement. However, as we learned with P.L. 2010, c. 2, the term “date of the expiration of a collective negotiations agreement” must be defined to avoid confusion and potential litigation.

Furthermore, we are unclear as to the value of the accumulated sick time upon retirement. Is it the value of the days so accumulated upon the date of the legislation or the expiration of the collective negotiations agreement **or** is it the value of the days so accumulated upon the retirement date? Even though accumulation no longer remains, there is a valuation question, which can be substantially enhanced if based on the employee’s salary at retirement for all the accumulated days.

S-1564 does not include the requirement to suspend payment for accumulated sick for an employee under indictment for a crime that involves or touches their office and forfeiture of any supplemental compensation if the employee is convicted. As currently drafted, an employee who is convicted for a crime that involves or touches their office will lose their pension benefits but would still be entitled to the accumulated sick leave benefit. We believe that both benefits should be treated the same.

In addition, S-1564 does not address the issue of employees using their accumulated sick leave right before retirement. While most municipalities have attempted to address this issue through personnel policies and contract negotiations, the practice still exist. It is a back door way to cash out on the accumulated sick leave. We suggest that S-1564 includes language to prohibit employees from using six or more consecutive accumulated sick leave days without a written medical note.

We have contacted Senate President with our concerns.
If you have any questions or need additional information please do not

hesitate to contact Lori Buckelew at 609-695-3481 x112 or lbuckelew@njslom.com.

II. BPU Welcomes Comments on Preliminary Storm Response Report

During last week's Mayors' Legislative Day in Trenton, Board of Public Utilities' (BPU) President Robert M. Hanna asked mayors to review the BPU's preliminary report on the responses of New Jersey's electric utilities to Hurricane Irene (August 28, 2011) and the pre-Halloween snowstorm (October 29, 2011). That report is available on the BPU website at <http://nj.gov/bpu/pdf/announcements/2011/irene.pdf>.

President Hanna wants to hear from you, as do we.

On behalf of League President, Mayor Art Ondish of Mount Arlington, and League Emergency Preparedness Committee Chairman, Mayor Tim McDonough of Hope, we urge you to study the report and submit your comments and recommendations to the BPU. Please, also share your comments with us, so that Mayor McDonough's Committee can coordinate our efforts and amplify your recommendations at future hearings and meetings with the BPU and the utilities.

Please write or call the BPU at:
President Robert Hanna
Board of Public Utilities
PO Box 350
44 S. Clinton Ave.
Trenton, New Jersey 08625

And copy the League at:

NJLM
222 West State Street
Trenton, NJ 08608
Attn. Jon Moran

Very truly yours,
William G. Dressel, Jr.
Executive Director

*If you would like to be removed from receiving faxed advisories please contact Shirley Cade at scade@njslom.com or 609-695-3481 ext. 114 with the name of your municipality and fax number. Thank you.

New Jersey League of Municipalities
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609-695-3481

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