

(C)

**Masser, Michelle**

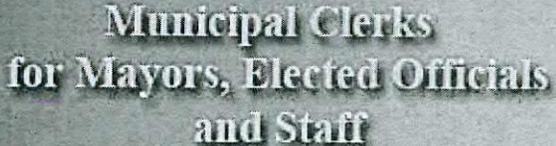
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**From:** Lashway, Lisa  
**Sent:** Tuesday, February 28, 2012 4:37 PM  
**To:** Masser, Michelle; Canning, Sean  
**Subject:** FW: S-533, "Common Sense Shared Services Act" Advances

Lisa Lashway  
Township Clerk  
Township of Mount Olive  
P.O. Box 450  
Budd Lake, NJ 07828  
973-691-0900 Ext. 7290

**From:** NJLM to Municipal Officials [mailto:njlm-clerks@cityconnections.com]  
**Sent:** Tuesday, February 28, 2012 4:33 PM  
**To:** Lashway, Lisa  
**Subject:** S-533, "Common Sense Shared Services Act" Advances

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February 28, 2012

**Re: S-533, "Common Sense Shared Services Act" Advances**

Dear Mayor:

The “Common Sense Shared Services Act”, S-533 was unanimously released with amendments from the Senate Community and Urban Affairs Committee yesterday. The bill would revise current law to provide that a municipal clerk, chief financial officer, assessor, tax collector, public works manager or municipal treasurer that has tenure may be removed from office to effectuate a shared service agreement. Senator Norcross introduced this legislation to address a situation in which a municipality formed a shared service agreement to share the municipal clerk with a neighboring municipality. The tenured municipal clerk sued the municipality to get the position back and won. The municipality was required to rehire the municipal clerk and pay their legal fees.

S-533 is another tool that will provide municipalities more flexibility and increased opportunities for shared services. While we support the bill, the League of Municipalities, along with the Tax Collectors & Treasures Association of New Jersey, the Municipal Clerks Association of New Jersey, the Government Finance Officers Association of New Jersey, and the Association of Municipal Assessors of New Jersey meet with Senator Norcross to address some implementation concerns.

The amendments to the bill were a result of the meeting. One of the amendments requires that the shared service contract must be performed for a minimum of one year. Any tenured employee affected by the provisions of S-533 would have an opportunity to be re-hired and regain tenured status if the agreement expires or is cancelled within two years following the employee’s dismissal.

The other amendment addressed our concern that a shared service agreement or consolidation would be considered “just cause” to remove a tenured official. “Just cause” is a legal term used when a violation of statute, rule or regulation occurs. A shared service agreement or consolidation is not a violation of statute, rule or regulations. It is the implementation of a service for the improved efficiency of an operation by consolidating two or more positions in an effort to save tax dollars. The stigma attached with a “just cause” removal will make it difficult for a certified official to seek re-employment. We requested that language be drafted to provide for the termination of a tenured officer or employee without defining it as “just cause” when a shared service agreement or consolidation is initiated. As a result, the amendment now states that “A tenured municipal clerk, chief financial officer, assessor, tax collector, principal public works manager 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.”

We are continuing to work with Senator Norcross on additional amendments to ensure that there is a process to protect the municipalities from litigation. We thank the Senator for incorporating our suggestions.

If you have any questions or need additional information on S-533 do not hesitate to contact Lori Buckelew at [lbuckelew@njslom.com](mailto:lbuckelew@njslom.com) or 609-695-3481 x 112.

Very truly yours,

William G. Dressel, Jr.  
Executive Director

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