SYNOPSIS
Limits use of and supplemental compensation for certain accumulated leave; permits use of certain unused sick leave to offset post-retirement health care cost; limits employment for certain public employees.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning the sick and vacation leave of certain public employees, and the employment of certain public employees on leave, and amending and supplementing various parts of the statutory law.

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

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

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

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

or

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

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

Upon the retirement of an officer or employee who is eligible to continue health care benefits coverage that is fully or partly paid by a public entity after retirement, and who has a minimum of 61 days of accumulated unused sick leave earned after the effective date of P.L. , c. (pending before the Legislature as this bill), the employer shall determine, based on the employee's age at the time of retirement, the actuarial equivalent in monthly installments for the remaining life expectancy of such retired employee, the dollar value of the numbered days over 60 of unused sick leave earned and accumulated after the effective date of P.L. , c. (pending before the Legislature as this bill), standing to his or her credit at the time

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.
of retirement, without interest. Such dollar value shall be based on
the officer’s or employee’s salary at the time of retirement. In
addition to regular employer contributions by a public entity,
contributions by a public entity in the amount of such monthly
installments shall be paid from the entity appropriation and applied
towards the charges for health care benefits premium payments
required of such retired officer or employee, to the extent necessary
to pay such charges, but not to exceed $7,500 in the aggregate. The
remaining amount, if any, necessary to pay such charges shall be
contributed by such retired officer or employee.

As used in this section, "officer or employee" means an elected
official; or a person appointed by the Governor with the advice and
consent of the Senate, or appointed by the Governor to serve at the
pleasure of the Governor only during his or her term of office; or a
person appointed by an elected public official or elected governing
body of the political subdivision, 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 resolution, pursuant to guidelines or policy that shall
be established by the Department of Education, 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 or
instrumentality thereof.

b. (1) Payment of supplemental compensation for accumulated
unused sick leave shall be suspended if an officer or employee has
been indicted for a crime that involves or touches such office or
employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
6.5).

(2) Supplemental compensation for accumulated unused sick
leave shall be forfeited if an officer or employee is convicted of a
crime that subjects the officer or employee to the provisions of
section 6 of P.L.2007, c.49, or for a substantially similar offense
under the laws of another state or the United States which would
have been such a crime under the laws of this State.

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

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

3. a. Notwithstanding any law, rule or regulation to the
contrary, a board of education, or an agency or instrumentality
thereof, shall not pay supplemental compensation to any officer or
employee for accumulated unused sick leave [in an amount in
excess of $15,000] , except that an officer or employee who on the
effective date of P.L. , c. (pending before the Legislature as this
bill), or upon the expiration of a collective negotiations agreement
or contract of employment with a relevant provision applicable to
that officer or employee in effect on that date, has accrued
supplemental compensation based upon accumulated unused sick
leave shall be eligible to receive not more than the amount so
accumulated. Supplemental compensation shall be payable only at
the time of retirement from a State-administered or locally-
administered retirement system based on the leave credited on the
date of retirement. [This provision shall apply only to officers and
employees who commence service with the board of education, or
the agency or instrumentality thereof, on or after the effective date
of P.L.2010, c.3. This section shall not be construed to affect the
terms in any collective negotiations agreement with a relevant
provision in force on that effective date.]

Upon the retirement of an officer or employee who is eligible to
continue health care benefits coverage that is fully or partly paid by
a public entity after retirement, and who has a minimum of 61 days
of accumulated unused sick leave earned after the effective date of
P.L. , c. (pending before the Legislature as this bill), the
employer shall determine, based on the employee's age at the time
of retirement, the actuarial equivalent in monthly installments for
the remaining life expectancy of such retired employee of the dollar
value of the numbered days over 60 of unused sick leave earned and
accumulated after the effective date of P.L. , c. (pending before
the Legislature as this bill), standing to his or her credit at the time
of retirement, without interest. Such dollar value shall be based on
the officer’s or employee’s salary at the time of retirement. In
addition to regular employer contributions by a public entity,
contributions by a public entity in the amount of such monthly
installments shall be paid from the entity appropriation and applied
towards the charges for health care benefits premium payments
required of such retired officer or employee, to the extent necessary
to pay such charges, but not to exceed $7,500 in the aggregate. The
remaining amount, if any, necessary to pay such charges shall be
contributed by such retired officer or employee.

b. (1) Payment of supplemental compensation for accumulated
unused sick leave shall be suspended if an officer or employee has
been indicted for a crime that involves or touches such office or
employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
6.5).

(2) Supplemental compensation for accumulated unused sick
leave shall be forfeited if an officer or employee is convicted of a
crime that subjects the officer or employee to the provisions of
section 6 of P.L.2007, c.49, or for a substantially similar offense
under the laws of another state or the United States which would
have been such a crime under the laws of this State.

(cf: P.L.2010, c.3, s.3)
3. (New section) Notwithstanding any law, rule or regulation to the contrary, for officers or employees of a school board, or any agency or instrumentality thereof, the use of six or more consecutive days of accumulated sick leave in the twelve months prior to retirement in anticipation of that retirement without a medical necessity verified in writing by a physician shall be prohibited. The board shall promulgate rules and procedures to ensure that verification of medical necessity is provided. The rules shall provide that the employer may require the officer or employee to submit to an examination by a physician selected by the employer to verify the medical necessity. For the first violation of this section, the employer shall treat the time taken as unpaid leave and impose a minimum disciplinary penalty of a fine in an amount equivalent to one and one-half times the daily rate of compensation for each day of violation. For the second violation of this section, in addition to treating the time taken as unpaid leave, the employer shall impose a minimum disciplinary penalty of a fine in an amount equivalent to three times the daily rate of compensation for each day of violation. For the third violation of this section, in addition to treating the time taken as unpaid leave, the employer shall have good cause for termination of the employee. The minimum penalties set forth for the first and second violations may be increased at the discretion of the employer based upon the prior record of the employee. The time converted to unpaid leave under this section shall also be deducted from the number of unused accumulated sick leave days credited on the effective date of retirement upon which supplemental compensation, if any, for the employee at the time of retirement is calculated. No monetary penalty imposed under this section shall be construed to be a reduction in compensation under applicable employee tenure laws.

4. Section 46 of P.L.2007, c.92 (C.18A:30-9) is amended to read as follows:

46. a. Notwithstanding any law, rule or regulation to the contrary, an officer or employee of a board of education, or an agency or instrumentality thereof, who does not take vacation leave that accrues on or after the effective date of P.L.2007, c.92 (C.43:15C-1 et al.), or on or after the date on which the person becomes an officer or employee, in a given year because of business demands shall be granted that accrued leave only during the next succeeding year. However, vacation leave not taken in a given year because of duties directly related to a state of emergency declared by the Governor may accumulate at the discretion of the appointing authority until, pursuant to a plan established by the officer or employee's appointing authority, the leave is used or the employee or officer is compensated for that leave, which shall not be subject to collective negotiation or collective bargaining.
A person who (1) is an officer or employee on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.), or (2) becomes an officer or employee after that effective date, and has previously accrued vacation leave shall be eligible and shall be permitted to retain and use that accrued vacation leave.

As used in this section, "officer or employee" means an elected official; or a person appointed by the Governor with the advice and consent of the Senate, or appointed by the Governor to serve at the pleasure of the Governor only during his or her term of office; or a person appointed by an elected public official or elected governing body of the political subdivision, 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 resolution, pursuant to guidelines or policy that shall be established by the Department of Education, 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 or instrumentality thereof.

b. (1) Payment of supplemental compensation to any officer or employee for accumulated unused vacation leave shall be suspended if an officer or employee has been indicted for a crime that involves or touches such office or employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-6.5).

(2) Supplemental compensation for accumulated unused vacation leave shall be forfeited if an officer or employee is convicted of a crime that subjects the officer or employee to the provisions of section 6 of P.L.2007, c.49, or for a substantially similar offense under the laws of another state or the United States which would have been such a crime under the laws of this State.

(cf: P.L.2007, c.92, s.46)

5. Section 5 of P.L.2010, c.3 (C.18A:30-9.1) is amended to read as follows:

5. a. Notwithstanding any law, rule or regulation to the contrary, an officer or employee of a board of education, or an agency or instrumentality thereof, who does not take vacation leave that accrues in a given year because of business demands shall be granted that accrued leave only during the next succeeding year. However, vacation leave not taken in a given year because of duties directly related to a state of emergency declared by the Governor may accumulate at the discretion of the appointing authority until, pursuant to a plan established by the officer or employee's appointing authority, the leave is used or the employee or officer is compensated for that leave, which shall not be subject to collective
negotiation or collective bargaining. [This provision shall apply  
only to officers and employees who commence service with the  
board of education, or the agency or instrumentality thereof, on or  
after the effective date of P.L.2010, c.3. This section shall not be  
construed to affect the terms in any collective negotiations  
agreement with a relevant provision in force on that effective date.]  

A person who on the effective date of P.L. , c. (pending  
before the Legislature as this bill), or upon the expiration of a  
collective negotiations agreement or contract of employment with a  
relevent provision applicable to that officer or employee in effect on  
that date, has accrued vacation leave shall be eligible and shall be  
permitted to retain and use that accrued vacation leave.  

b. (1) Payment of supplemental compensation to any officer or  
employee for accumulated unused vacation leave shall be  
suspended if an officer or employee has been indicted for a crime  
that involves or touches such office or employment as defined in  
section 6 of P.L.2007, c.49 (C.2C:43-6.5).  

(2) Supplemental compensation for accumulated unused  
vacation leave shall be forfeited if an officer or employee is  
convicted of a crime that subjects the officer or employee to the  
provisions of section 6 of P.L.2007, c.49, or for a substantially  
similar offense under the laws of another state or the United States  
which would have been such a crime under the laws of this State.  
(cf: P.L.2010, c.3, s.5)  

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

43. a. Notwithstanding any law, rule or regulation to the  
contrary, a political subdivision of the State, or an agency, authority  
or instrumentality thereof, that has not adopted the provisions of  
Title 11A of the New Jersey Statutes, shall not pay supplemental  
compensation to any officer or employee for accumulated unused  
sick leave [in an amount in excess of $15,000] except that an  
officer or employee who:  

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

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

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

Upon the retirement of an officer or employee who is eligible to
continue health care benefits coverage that is fully or partly paid by
a public entity after retirement, and who has a minimum of 61 days
of accumulated unused sick leave earned after the effective date of
P.L. , c. (pending before the Legislature as this bill), the
employer shall determine, based on the employee's age at the time
of retirement, the actuarial equivalent in monthly installments for
the remaining life expectancy of such retired employee of the dollar
value of the numbered days over 60 of unused sick leave earned and
accumulated after the effective date of P.L. , c. (pending before
the Legislature as this bill), standing to his or her credit at the time
of retirement, without interest. Such dollar value shall be based on
the officer's or employee's salary at the time of retirement. In
addition to regular employer contributions by a public entity,
contributions by a public entity in the amount of such monthly
installments shall be paid from the entity appropriation and applied
towards the charges for health care benefits premium payments
required of such retired officer or employee, to the extent necessary
to pay such charges, but not to exceed $7,500 in the aggregate. The
remaining amount, if any, necessary to pay such charges shall be
contributed by such retired officer or employee.

As used in this section, "officer or employee" means an elected
official; or a person appointed by the Governor with the advice and
consent of the Senate, or appointed by the Governor to serve at the
pleasure of the Governor only during his or her term of office; 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,
A construction code official, licensed uniform subcode inspector, qualified purchasing agent, or certified public works manager.

b. (1) Payment of supplemental compensation for accumulated unused sick leave shall be suspended if an officer or employee has been indicted for a crime that involves or touches such office or employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-6.5).

(2) Supplemental compensation for accumulated unused sick leave shall be forfeited if an officer or employee is convicted of a crime that subjects the officer or employee to the provisions of section 6 of P.L.2007, c.49, or for a substantially similar offense under the laws of another state or the United States which would have been such a crime under the laws of this State.

cf: P.L.2007, c.92, s.43

7. Section 45 of P.L.2007, c.92 (C.40A:9-10.3) is amended to read as follows:

45. a. Notwithstanding any law or any rule or regulation to the contrary, an officer or employee of a political subdivision of the State, or an agency, authority, or instrumentality of a subdivision, that has not adopted the provisions of Title 11A, Civil Service, of the New Jersey Statutes, who does not take vacation leave that accrues on or after the effective date of P.L.2007, c.92 (C.43:15C-1 et al.), or on or after the date on which the person becomes an officer or employee, in a given year because of business demands shall be granted that accrued leave only during the next succeeding year.

However, vacation leave not taken in a given year because of duties directly related to a state of emergency declared by the Governor may accumulate at the discretion of the appointing authority until, pursuant to a plan established by the officer or employee’s appointing authority, the leave is used or the employee or officer is compensated for that leave, which shall not be subject to collective negotiation or collective bargaining.

A person who (1) is an officer or employee on the effective date of P.L.2007, c.92 (C.43:15C-1 et al.), or (2) becomes an officer or employee after that effective date, and has previously accrued vacation leave shall be eligible and shall be permitted to retain and use that accrued vacation leave.

As used in this section, "officer or employee" means an elected official; or a person appointed by the Governor with the advice and consent of the Senate, or appointed by the Governor to serve at the pleasure of the Governor only during his or her term of office; 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.

b. (1) Payment of supplemental compensation to any officer or
employee for accumulated unused vacation leave shall be
suspended if an officer or employee has been indicted for a crime
that involves or touches such office or employment as defined in
section 6 of P.L.2007, c.49 (C.2C:43-6.5).

(2) Supplemental compensation for accumulated unused
vacation leave shall be forfeited if an officer or employee is
convicted of a crime that subjects the officer or employee to the
provisions of section 6 of P.L.2007, c.49, or for a substantially
similar offense under the laws of another state or the United States
which would have been such a crime under the laws of this State.
(cf: P.L.2007, c.92, s.45)

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

2. a. Notwithstanding any law, rule or regulation to the
contrary, a political subdivision of the State, or an agency, authority
or instrumentality thereof, that has not adopted the provisions of
Title 11A of the New Jersey Statutes, shall not pay supplemental
compensation to any officer or employee for accumulated unused
sick leave [in an amount in excess of $15,000], except that an
officer or employee who on the effective date of P.L. ,
c. (pending before the Legislature as this bill), or upon the
expiration of a collective negotiations agreement or contract of
employment with a relevant provision applicable to that officer or
employee in effect on that date, has accrued supplemental
compensation based upon accumulated unused sick leave shall be
eligible to receive not more than the amount so accumulated.
Supplemental compensation shall be payable only at the time of
retirement from a State-administered or locally-administered
retirement system based on the leave credited on the date of
retirement. [This provision shall apply only to officers and
employees who commence service with the political subdivision of
the State, or the agency, authority or instrumentality thereof, on or
after the effective date of P.L.2010, c.3. This section shall not be construed to affect the terms in any collective negotiations agreement with a relevant provision in force on that effective date.

Upon the retirement of an officer or employee who is eligible to continue health care benefits coverage that is fully or partly paid by a public entity after retirement, and who has a minimum of 61 days of accumulated unused sick leave earned after the effective date of P.L. , c. (pending before the Legislature as this bill), the employer shall determine, based on the employee's age at the time of retirement, the actuarial equivalent in monthly installments for the remaining life expectancy of such retired employee of the dollar value of the number of days over 60 of unused sick leave earned and accumulated after the effective date of P.L. (pending before the Legislature as this bill), standing to his or her credit at the time of retirement, without interest. Such dollar value shall be based on the officer’s or employee's salary at the time of retirement. In addition to regular employer contributions by a public entity, contributions by a public entity in the amount of such monthly installments shall be paid from the entity appropriation and applied towards the charges for health care benefits premium payments required of such retired officer or employee, to the extent necessary to pay such charges, but not to exceed $7,500 in the aggregate. The remaining amount, if any, necessary to pay such charges shall be contributed by such retired officer or employee.

b. (1) Payment of supplemental compensation for accumulated unused sick leave shall be suspended if an officer or employee has been indicted for a crime that involves or touches such office or employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-6.5).

(2) Supplemental compensation for accumulated unused sick leave shall be forfeited if an officer or employee is convicted of a crime that subjects the officer or employee to the provisions of section 6 of P.L.2007, c.49, or for a substantially similar offense under the laws of another state or the United States which would have been such a crime under the laws of this State.

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

9. Section 4 of P.L.2010, c.3 (C.40A:9-10.5) is amended to read as follows:

4. a. Notwithstanding any law, rule or regulation to the contrary, an officer or employee of a political subdivision of the State, or an agency, authority, or instrumentality thereof, that has not adopted the provisions of Title 11A of the New Jersey Statutes, who does not take vacation leave that accrues in a given year because of business demands shall be granted that accrued leave only during the next succeeding year. However, vacation leave not taken in a given year because of duties directly related to a state of emergency declared by the Governor may accumulate at the
discretion of the appointing authority until, pursuant to a plan
established by the officer or employee's appointing authority, the
leave is used or the employee or officer is compensated for that
leave, which shall not be subject to collective negotiation or
collective bargaining. [This provision shall apply only to officers
and employees who commence service with the political
subdivision of the State, or the agency, authority or instrumentality
thereof, on or after the effective date of P.L. 2010, c.3. This section
shall not be construed to affect the terms in any collective
negotiations agreement with a relevant provision in force on that
effective date.]

A person who on the effective date of P.L. , c. (pending
before the Legislature as this bill), or upon the expiration of a
collective negotiations agreement or contract of employment with a
relevant provision applicable to that officer or employee in effect on
that date, has accrued vacation leave shall be eligible and shall be
permitted to retain and use that accrued vacation leave.

b. (1) Payment of supplemental compensation to any officer or
employee for accumulated unused vacation leave shall be
suspended if an officer or employee has been indicted for a crime
that involves or touches such office or employment as defined in
section 6 of P.L.2007, c.49 (C.2C:43-6.5).

(2) Supplemental compensation for accumulated unused
vacation leave shall be forfeited if an officer or employee is
convicted of a crime that subjects the officer or employee to the
provisions of section 6 of P.L.2007, c.49, or for a substantially
similar offense under the laws of another state or the United States
which would have been such a crime under the laws of this State.
(cf: P.L.2010, c.3, s.4)

10. (New section) Notwithstanding any law, rule or regulation
to the contrary, for officers or employees of a political subdivision
of the State, or any agency, authority or instrumentality thereof, that
has not adopted the provisions of Title 11A, Civil Service, of the
New Jersey Statutes, the use of six or more consecutive days of
accumulated sick leave in the twelve months prior to retirement in
anticipation of that retirement without a medical necessity verified
in writing by a physician shall be prohibited. The governing body
of a political subdivision shall promulgate rules and procedures to
ensure that verification of medical necessity is provided. The rules
shall provide that the employer may require the officer or employee
to submit to an examination by a physician selected by the
employer to verify the medical necessity. For the first violation of
this section, the employer shall treat the time taken as unpaid leave
and impose a minimum disciplinary penalty of a fine in an amount
equivalent to one and one-half times the daily rate of compensation
for each day of violation. For the second violation of this section,
in addition to treating the time taken as unpaid leave, the employer
shall impose a minimum disciplinary penalty of a fine in an amount equivalent to three times the daily rate of compensation for each day of violation. For the third violation of this section, in addition to treating the time taken as unpaid leave, the employer shall have good cause for termination of the employee. The minimum penalties set forth for the first and second violations may be increased at the discretion of the employer based upon the prior record of the employee. The time converted to unpaid leave under this section shall also be deducted from the number of unused accumulated sick leave days credited on the effective date of retirement upon which supplemental compensation, if any, for the employee at the time of retirement is calculated.

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

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

b. Notwithstanding the provisions of any law, rule, or regulation to the contrary, the use of six or more consecutive days of accumulated sick leave in the twelve months prior to retirement in anticipation of that retirement without a medical necessity verified in writing by a physician shall be prohibited. The commission shall promulgate rules and procedures to ensure that verification of medical necessity is provided. The rules shall provide that the employer may require the employee to submit to an examination by a physician selected by the employer to verify the medical necessity. For the first violation of this subsection, the employer shall treat the time taken as unpaid leave and impose a minimum disciplinary penalty of a fine in an amount equivalent to one and one-half times the daily rate of compensation for each day of violation. For the second violation of this subsection, in addition to treating the time taken as unpaid leave, the employer shall impose a minimum disciplinary penalty of a fine in an amount equivalent to three times the daily rate of compensation for each day of violation. For the third violation of this subsection, in addition to treating the time taken as unpaid leave, the employer shall have good cause for termination of the employee. The minimum penalties set forth for the first and second violations may be increased at the discretion of the employer based upon the prior record of the employee. The time converted to unpaid leave under this subsection shall also be deducted from the number of unused accumulated sick leave days credited on the effective date of retirement upon which supplemental compensation, if any, for the employee at the time of retirement is calculated.

(cf: N.J.S.11A:6-5)
12. N.J.S.11A:6-16 is amended to read as follows:


   a. State employees in the career service, and those in the senior executive and unclassified services who have been granted sick leave under terms and conditions similar to career service employees, shall be entitled upon retirement from a State-administered retirement system to receive a lump sum payment as supplemental compensation, as calculated and limited pursuant to N.J.S. 11A:6-19, for each full day of accumulated unused sick leave which is credited on the effective date of retirement.

   b. (1) Payment of supplemental compensation for accumulated unused sick leave shall be suspended if an officer or employee has been indicted for a crime that involves or touches such office or employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-6.5).

   (2) Supplemental compensation for accumulated unused sick leave shall be forfeited if an officer or employee is convicted of a crime that subjects the officer or employee to the provisions of section 6 of P.L.2007, c.49, or for a substantially similar offense under the laws of another state or the United States which would have been such a crime under the laws of this State.

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

13. N.J.S.11A:6-19 is amended to read as follows:


   a. Supplemental compensation shall be computed at the rate of one-half of the eligible employee's daily rate of pay for each day of accumulated sick leave based upon the compensation received during the last year of employment prior to the effective date of retirement, but supplemental compensation shall not exceed $15,000.00. If an employee dies after the effective date of retirement but before payment is made, payment shall be made to the employee's estate.

   b. An officer or employee who on the effective date of P.L. , c. , (pending before the Legislature as this bill), or upon the expiration of a collective negotiations agreement or contract of employment with a relevant provision applicable to that officer or employee in effect on that date, has accrued supplemental compensation based upon accumulated unused sick leave shall be eligible to receive not more than the amount so accumulated.

   Upon the retirement of an officer or employee who is eligible to continue health care benefits coverage that is fully or partly paid by a public entity after retirement, and who has a minimum of 61 days of accumulated unused sick leave earned after the effective date of
P.L. , c. (pending before the Legislature as this bill), the employer shall determine, based on the employee's age at the time of retirement, the actuarial equivalent in monthly installments for the remaining life expectancy of such retired employee of the dollar value of the numbered days over 60 of unused sick leave earned and accumulated after the effective date of P.L. , c. (pending before the Legislature as this bill), standing to his or her credit at the time of retirement, without interest. Such dollar value shall be based on the officer's or employee's salary at the time of retirement. In addition to regular employer contributions by a public entity, contributions by a public entity in the amount of such monthly installments shall be paid from the entity appropriation and applied towards the charges for health care benefits premium payments required of such retired officer or employee, to the extent necessary to pay such charges, but not to exceed $7,500 in the aggregate. The remaining amount, if any, necessary to pay such charges shall be contributed by such retired officer or employee. (cf: N.J.S.11A:6-19)

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

42. a. Notwithstanding any law, rule or regulation to the contrary, a political subdivision of the State, or an agency, authority or instrumentality thereof, that has adopted the provisions of Title 11A of the New Jersey Statutes, shall not pay supplemental compensation to any officer or employee for accumulated unused sick leave [in an amount in excess of $15,000], except that an officer or employee who:

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

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

Supplemental compensation shall be payable only at the time of retirement from a State-administered or locally-administered retirement system based on the leave credited on the date of retirement. Upon the retirement of an officer or employee who is eligible to continue health care benefits coverage that is fully or partly paid by a public entity after retirement, and who has a minimum of 61 days
of accumulated unused sick leave earned after the effective date of
P.L. , c. (pending before the Legislature as this bill), the
employer shall determine, based on the employee's age at the time
of retirement, the actuarial equivalent in monthly installments for
the remaining life expectancy of such retired employee of the dollar
value of the numbered days over 60 of unused sick leave earned and
accumulated after the effective date of P.L. , c. (pending before
the Legislature as this bill), standing to his or her credit at the time
of retirement, without interest. Such dollar value shall be based on
the officer's or employee's salary at the time of retirement. In
addition to regular employer contributions by a public entity,
contributions by a public entity in the amount of such monthly
installments shall be paid from the entity appropriation and applied
towards the charges for health care benefits premium payments
required of such retired officer or employee, to the extent necessary
to pay such charges, but not to exceed $7,500 in the aggregate. The
remaining amount, if any, necessary to pay such charges shall be
contributed by such retired officer or employee.

As used in this section, "officer or employee" means an elected
official; or a person appointed by the Governor with the advice and
consent of the Senate, or appointed by the Governor to serve at the
pleasure of the Governor only during his or her term of office; 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.

b. (1) Payment of supplemental compensation for accumulated
unused sick leave shall be suspended if an officer or employee has
been indicted for a crime that involves or touches such office or
employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
6.5).

(2) Supplemental compensation for accumulated unused sick
leave shall be forfeited if an officer or employee is convicted of a
crime that subjects the officer or employee to the provisions of
section 6 of P.L.2007, c.49, or for a substantially similar offense
under the laws of another state or the United States which would
have been such a crime under the laws of this State.
(cf: P.L.2007, c.92, s.42)

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

1. a. Notwithstanding any law, rule or regulation to the
contrary, a political subdivision of the State, or an agency, authority
or instrumentality thereof, that has adopted the provisions of Title
11A of the New Jersey Statutes, shall not pay supplemental
compensation to any officer or employee for accumulated unused
sick leave [in an amount in excess of $15,000], except that an
officer or employee who on the effective date of P.L. , c.
(pending before the Legislature as this bill), or upon the expiration
of a collective negotiations agreement or contract of employment
with a relevant provision applicable to that officer or employee in
effect on that date, has accrued supplemental compensation based
upon accumulated unused sick leave shall be eligible to receive not
more than the amount so accumulated. Supplemental compensation
shall be payable only at the time of retirement from a State-
administered or locally-administered retirement system based on the
leave credited on the date of retirement. [This provision shall apply
only to officers and employees who commence service with the
political subdivision of the State, or the agency, authority or
instrumentality thereof, on or after the effective date of P.L.2010,
c.3. This section shall not be construed to affect the terms in any
collective negotiations agreement with a relevant provision in force
on that effective date.]

Upon the retirement of an officer or employee who is eligible to
continue health care benefits coverage that is fully or partly paid by
a public entity after retirement, and who has a minimum of 61 days
of accumulated unused sick leave earned after the effective date of
P.L. , c. (pending before the Legislature as this bill), the
employer shall determine, based on the employee’s age at the time
of retirement, the actuarial equivalent in monthly installments for
the remaining life expectancy of such retired employee of the dollar
value of the numbered days over 60 of unused sick leave earned and
accumulated after the effective date of P.L. , c. (pending before
the Legislature as this bill), standing to his or her credit at the time
of retirement, without interest. Such dollar value shall be based on
the officer’s or employee’s salary at the time of retirement. In
addition to regular employer contributions by a public entity,
contributions by a public entity in the amount of such monthly
installments shall be paid from the entity appropriation and applied
towards the charges for health care benefits premium payments
required of such retired officer or employee, to the extent necessary
to pay such charges, but not to exceed $7,500 in the aggregate. The
remaining amount, if any, necessary to pay such charges shall be
contributed by such retired officer or employee.

b. (1) Payment of supplemental compensation for accumulated
unused sick leave shall be suspended if an officer or employee has
been indicted for a crime that involves or touches such office or
employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-
6.5).

(2) Supplemental compensation for accumulated unused sick
leave shall be forfeited if an officer or employee is convicted of a
crime that subjects the officer or employee to the provisions of
section 6 of P.L.2007, c.49, or for a substantially similar offense
under the laws of another state or the United States which would
have been such a crime under the laws of this State.

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

16. Section 6 of P.L.2007, c.49 (C.2C:43-6.5) is amended to
read as follows:

6. a. Notwithstanding the provisions of subsection a. of
N.J.S.2C:43-6 and except as otherwise provided in subsection c. of
this section, a person who serves or has served as a public officer or
employee under the government of this State, or any political
subdivision thereof, who is convicted of a crime that involves or
touches such office or employment as set forth in subsection b. of
this section, shall be sentenced to a mandatory minimum term of
imprisonment without eligibility for parole as follows: for a crime
of the fourth degree, the mandatory minimum term shall be one
year; for a crime of the third degree, two years; for a crime of the
second degree, five years; and for a crime of the first degree, 10
years; unless the provisions of any other law provide for a higher
mandatory minimum term. As used in this subsection, "a crime that
involves or touches such office or employment" means that the
crime was related directly to the person's performance in, or
circumstances flowing from, the specific public office or
employment held by the person.

b. Subsection a. of this section applies to a conviction of any of
the following crimes:

(1) Paragraph (4) of subsection a. of N.J.S.2C:13-5, criminal
coercion;
(2) N.J.S.2C:20-4, theft by deception, if the amount involved
exceeds $10,000;
(3) Subsection d. of N.J.S.2C:20-5, theft by extortion;
(4) N.J.S.2C:20-9, theft by failure to make required disposition
of property received, if the amount involved exceeds $10,000;
(5) N.J.S.2C:21-10, commercial bribery;
(6) Section 3 of P.L.1994, c.121 (C.2C:21-25), money
laundering;
(7) Section 97 of P.L.1999, c.440 (C.2C:21-34), false contract payment claims;
(8) N.J.S.2C:27-2, bribery in official matters;
(9) N.J.S.2C:27-3, threats and other improper influence in official and political matters;
(10) Section 100 of P.L.1999, c.440 (C.2C:27-9), unlawful official business transaction where interest is involved;
(11) Section 5 of P.L.2003, c.255 (C.2C:27-10), acceptance or receipt of unlawful benefit by public servant for official behavior;
(12) Section 6 of P.L.2003, c.255 (C.2C:27-11), offer of unlawful benefit to public servant for official behavior;
(13) N.J.S.2C:28-1, perjury;
(14) N.J.S.2C:28-5, tampering with witnesses;
(15) N.J.S.2C:28-7, tampering with public records or information;
(16) N.J.S.2C:29-4, compounding;
(17) N.J.S.2C:30-2, official misconduct;
(18) N.J.S.2C:30-3, speculating or wagering on official action or information; or
(19) Section 3 of P.L.2003, c.31 (C.2C:30-7), pattern of official misconduct.

c. (1) On motion by the prosecutor stating that the defendant has provided substantial assistance in a criminal investigation or prosecution of another person, the court may waive or reduce the mandatory minimum term of imprisonment required by subsection a. of this section. The appropriate waiver or reduction shall be determined by the court for reasons stated that may include, but are not limited to, consideration of the following:
(i) the court's evaluation of the significance and usefulness of the defendant's assistance, giving substantial weight to the prosecutor's evaluation of the assistance rendered;
(ii) the truthfulness, completeness, and reliability of any information or testimony provided by the defendant;
(iii) the nature and extent of the defendant's assistance;
(iv) any injury suffered, or any danger or risk of injury to the defendant or his family resulting from his assistance;
(v) the timeliness of the defendant's assistance.
In making such a determination, the court shall give substantial weight to the prosecutor's evaluation of the extent of the defendant's assistance, particularly where the extent and value of the assistance are difficult to ascertain.
(2) If the court finds by clear and convincing evidence that extraordinary circumstances exist such that imposition of a mandatory minimum term would be a serious injustice which overrides the need to deter such conduct in others, the court may waive or reduce the mandatory minimum term of imprisonment required by subsection a. of this section. In making any such finding, the court must state with specificity its reasons for waiving
or reducing the mandatory minimum sentence that would otherwise apply.

(3) If, pursuant to paragraph (1) or (2) of this subsection, the court waives or reduces the mandatory minimum term required by subsection a. of this section, such sentence shall not become final for 10 days in order to permit the appeal of the sentence by the prosecution.

d. (1) A prosecutor shall not recommend the admission into or consent to the referral to a pretrial intervention program of a person who serves or has served as a public officer or employee under the government of this State, or any political subdivision thereof, who is charged with a crime that involves or touches such office or employment as set forth in subsection b. of this section, without the prior approval of the Attorney General.

(2) A person who serves or has served as a public officer or employee under the government of this State, or any political subdivision thereof, who is convicted of a crime that involves or touches such office or employment as set forth in subsection b. of this section shall be ineligible for participation in any program of intensive supervision during any period of parole ineligibility.

e. The Attorney General shall develop guidelines to ensure the uniform exercise of discretion in making determinations regarding the waiver or reduction of a mandatory minimum term of imprisonment pursuant to paragraph (1) of subsection c. of this section and participation in a pretrial intervention program pursuant to paragraph (1) of subsection d. of this section.

f. The Attorney General shall develop guidelines or establish a procedure designed to provide a State agency as defined in section 2 of P.L.1971, c.182 (C.52:13D-13), a local government agency as defined in section 3 of P.L.1991, c.29 (C.40A:9-22.3), a local school district as defined in section 3 P.L.1991, c.393 (C.18A:12-23) or other public employer, as appropriate, with notice of any indictment or conviction of any active or former officer or employee of such entity for a crime that involves or touches such office or employment as set forth in subsection b. of this section that will subject the officer or employee to sentencing under the provisions of this section.

(cf: P.L.2007, c.49, s.6)

17. (New section) a. The provisions of sections 1, 2, 4 through 9, and 12 through 15 of P.L. , c. (pending before the Legislature as this bill) as amending various sections of statutory law regarding the suspension of payment of supplemental compensation for accumulated unused sick or vacation leave to an officer or employee who has been indicted for a crime that involves or touches such office or employment as defined in section 6 of P.L.2007, c.49 (C.2C:43-6.5) shall be prospective in application for
any crime or offense committed after the effective date of P.L. ,
c. (pending before the Legislature as this bill).
b. The provisions of sections 1 , 2, 4 through 9, and 12 through
15 of P.L. , c. (pending before the Legislature as this bill) as
amending various sections of statutory law providing for the
forfeiture of supplemental compensation for accumulated unused
sick or vacation leave of an officer or employee who has been
convicted of a crime that subjects an officer or employee to the
provisions of section 6 of P.L.2007, c.49 (C.2C:43-6.5) shall be
prospective in application for any crime or offense committed after
the effective date of P.L. , c. (pending before the Legislature as
this bill).

18. (New section) A local government agency, as defined in
section 3 of P.L.1991, c.29 (C.40A:9-22.3), shall not employ any
person in a full-time or part-time position while that person is on
paid leave from a full-time or part-time position with a local
government agency of another county or municipality.

19. This act shall take effect on the first day of the third month
following enactment.

STATEMENT

This bill imposes limits on the payment of supplemental
compensation for unused accumulated sick leave to, and the
accumulation of vacation leave by, any current or future State, local
government, or board of education employee. Under this bill,
unused sick leave payments will not be permitted upon retirement in
any amount for any sick leave time accumulated after the bill’s
effective date. Supplemental compensation for any time earned
prior to that date is payable as under current law. For unused sick
leave over 60 days earned and accumulated after the effective date,
an employer will apply an actuarial value placed on that leave and
the employer will appropriate that value, in monthly installments, to
offset any cost of post-retirement health care charged to the
employee. The portion the employer pays will not exceed $7,500 in
the aggregate.

In addition, the bill imposes limits on the carry-forward of
vacation leave that is not used in a given year by any current or
future employee of the State, a local government, or board of
education. Also, the payment for unused accumulated sick leave
and vacation leave will be suspended if the officer or employee is
indicted for certain crimes that involve or touch the office or
employment. The payments will be forfeited if the officer or
employee is convicted. The bill requires the Attorney General to
develop guidelines or establish procedures to provide the
appropriate governmental agency or public employer with notice of any indictment or conviction of a current or former officer or employee.

The bill prohibits the use of six or more consecutive days of accumulated sick leave in the twelve months prior to retirement, without medical necessity verified in writing by a physician, by a current or future public officer or employee. The employer may require the officer or employee to submit to an examination by a physician selected by the employer to verify the medical necessity. There are penalties for violations of this provision. For the first violation, the employer will treat the time taken as unpaid leave and impose a minimum disciplinary penalty of a fine in an amount equal to one and one-half times the daily rate of compensation for each day of violation. For the second violation, in addition to treating the time as unpaid leave, the employer will impose a minimum disciplinary penalty of a fine in an amount equal to three times the daily rate of compensation for each day of violation. For the third violation, in addition to treating the time taken as unpaid leave, the employer will have good cause to terminate the employee.

The minimum penalties set forth for the first and second violations may be increased at the discretion of the employer, based upon the prior record of the employee. The time converted to unpaid leave will also be deducted from the number of unused accumulated sick leave days credited on the effective date of retirement.

Certain provisions of the bill would apply after the expiration of a collective negotiations agreement or individual contract of employment with a relevant provision in effect on the bill’s effective date.

Finally, this bill provides that a local government agency cannot employ any person in a full-time or part-time position while that person is on paid leave from a full-time or part-time position with a local government agency of another county or municipality.

The bill will take effect the third month after enactment.