

## STATUS OF GOVERNOR CHRISTIE'S PROPOSED TOOL KIT REFORMS

(January 27,2011)

(Prepared by Peter Guzzo: Government Affairs Agent)

**NOTE:** The following does not include proposals being discussed at this time dealing with changing the retirement age for public employees, increasing the contribution rate to the pension system by public employees and raising the contribution rate for the cost of health care insurance. The specifics will not be known until the Governor's Budget Message on February 22, 2011.

### I. MUNICIPAL AND COUNTY TOOL KIT

1. Constitutional amendment to impose a 2.5% cap on increases in the property tax Levy for municipal, school and county taxes; cap banking permitted.

➤ SCR-104/ACR-131: tabled

Reduce school district, county and municipal property tax levy cap from 4% to 2% and permits unused school district, county and municipal increases to be banked for three succeeding years.

➤ *Signed into law on July 13, 2010 as P.L. 2010, c. 44.*

2. Constitutional amendment to place a 2.5% cap on spending for State Government Operations (Excluding State aid to municipalities and school districts and direct property tax relief; cap banking is allowed.

➤ SCR-103/ACR-130: No action

### Reform in Selection of Arbitrators for Union Contract (S-2171/A-3075 – Withdrawn)

3. Implements Governor's tool kit proposals for public employer-public employee collective bargaining.
4. Arbitrators are mandated to consider impact of union contracts on property taxes.
5. Arbitrators are barred from making contract awards that exceed 2.5% cap, Inclusive of all salary, benefits and other economic contract provisions.  
➤ *Enacted: A-3393/S-5 (P.L. 2010, c. 105). Streamlines the procedure for resolving contractual impasses between public employers and their police and fire departments and imposes a "soft" 2 per cent cap on arbitration awards under certain circumstances.*

### Pension Benefit Reform-Eliminates Eligibility for State Retirement Systems for Non-Governmental Groups and Associations.

6. Prohibits new employees of certain organizations from enrolling in State- Administered retirement system or health care plan of public employer:  
➤ S-2100 Passed in the Senate, in the Assembly State Government Committee.

### Pension Benefit Reform-Cap Sick Leave and Carry Forward of Vacation for Current Employees.

7. Limits unused sick leave pay and vacation leave carry-forward for school and local employees: limits sick leave use by new public employees before retirement
  - S-2220/A-3392: Passed both houses: *Conditionally vetoed by the Governor. No legislative action on the CV.*

### Shared Services Reforms

8. Various proposals under consideration. Previous bills have been withdrawn.
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### Allow Furloughs by Local Government to Save Costs

10. Provides that State or local appointing authority in civil service may institute temporary layoff.
  - S-2206: In Senate Budget and Appropriations Committee. Also see S-2039/A-2954.

### Allow Counties and Municipalities to Opt Out of Civil Service Municipalities by Ordinance or Referendum Initiated by 15% of the Voters.

11. S-1902: Withdrawn. A-2580: In the Assembly State Government Committee. Also see S-2039/A-2954.

### Employee Discipline Reform (Public/Police/Fire)-Reclassify Many Offenses as Minor to Avoid Lengthy and Costly Hearings for Relatively Trivial Infractions.

12. S-2135: In Senate Budget and Appropriations Committee. A-2955: In Assembly Housing and Local Government Committee. All or parts of the initiatives are found in bills.
13. Also contained in S-2135: In Senate Budget and Appropriations Committee. A-2955: In Assembly Housing and Local Government Committee.
14. Also contained in S-2135: In Senate Budget and Appropriations Committee. A-2955: In Assembly Housing and Local Government Committee.
15. Also contained in S-2135: In Senate Budget and Appropriations Committee. A-2955: In Assembly Housing and Local Government Committee.

### Revise Layoff Rules to Allow Less Senior, But More Essential Employees to Avoid Bumping

16. S-2011: In Senate State Government Committee and A-2956: In Assembly Housing and Local Government Committee.

Give Civil Service Commissioner More Day-to-Day Control as When the Dept. of Personnel was a Freestanding Department.

17. S-2154: In Senate Budget and Appropriations Committee. A-2957: In Assembly State Government Committee.

Increases Testing and Appeal Fees for Civil Service Promotional Exams

18. *Signed into Law on June 29, 2010 as P.L. 2010, c.26.*

Allow Civil Service Commissioner to Make Seasonal Appointment for 9 Months

19. S-2039: In Senate State Government Committee. A-2954: In Assembly State Government Committee

Allow Municipalities to Offset Property Tax Refunds Against State Income Tax Refunds

20. S-2012: Ready for Passage in Senate. A-2958: In Assembly Appropriations Committee.  
Expands Parties That May Bring Challenge to Council on Local Mandates to Include Groups, Such as the League of Municipalities.

21. S-2208/A-3204: Ready for Final Passage in the Senate. The bill has already Passed in the Assembly.

## **II. EDUCATIONAL TOOL KIT**

No School Contract Award in Excess of 2.5% Cap, Inclusive of Salary, Benefit and Other Economic Contract Provisions; School Districts Could Once Again Impose a “Last Best Offer” Contract Under Certain Circumstances; Executive County Superintendents Approval of All Union and Superintendent Contracts; No Approval Of Contracts with: Salary/Benefit Increases Exceeding the 2.5% Cap; Pupil contact Time Per Day as Set by Regulation; Minimum Number of Work as Set by Regulation; Prohibition on Contracting Out Auxiliary/Ancillary Services.

22. The provisions of these initiatives are found all, or in part of the following bills: S-2043: In Senate Labor Committee. A-2960: In Assembly Labor Committee. S-2025: In Senate Education Committee. A-2961: In Assembly Education Committee. Initiatives 23, 24 and 25 are also found in or in parts of the bills.

Pension Reforms Similar to Those Affecting Municipalities

26. No bills are currently introduced.

### **III. HIGHER EDUCATION TOOL KIT**

#### Revises Fact Finder Decision Standards (When Awarding a New Employee Contract) to Account for Decrease in State Aid Level, Effect on Tuition And Benefits Already Provided to Employees

27. S-2027: In the Senate Education Committee. A-2962: In the Assembly Labor Committee.

#### Designates State Colleges and Universities as Employer of Record for Collective Bargaining and Removes Certain Employees from Civil Service System

28. S-2026: In Senate Education Committee. A-2963: In Assembly Education Committee.  
29. S-2026: In Senate Education Committee. A-2963: In Assembly Education Committee.

#### Allow State Colleges and Universities to Hire Faculty Members for a Probationary Period

30. S-2172: In Senate Education Committee. (Note: A-3357 was introduced by Assemblywoman Lampitt, Chair of the Assembly Higher Education Committee but it is not considered part of the Governor's tool kit. Released from committee)

#### Allows Separate Workers Compensation Program Management for Colleges and Universities

31. S-2067/S-1998/A-2965/A-3358: Passed in the Legislature. *Signed by the Governor: P.L. 2010, c.99.*

### **IV. ELECTION REFORM**

#### Requires Only Single Ballot to Each Household Instead of Multiple Ballots to All Voters Residing in Household

32. S-1781: Ready for Passage in Senate. S-1874: Ready for Passage in Senate. A-1646: Ready for Passage in Assembly. A-2675: In Assembly State Government Committee.

#### Move School and Fire Elections to November

33. S-1312: In Senate Education Committee. A-2143: In Assembly Education Committee.  
A- 607/A-2766: In Assembly State Government Committee