



City of Newark

City Hall
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Newark, New Jersey 07102

Legislation Details (With Text)

File #: 21-0106 **Version:** 1 **Name:** Resolution: Authorizing Mandatory Direct Deposit for all City of Newark Employees and Elected Officials

Type: Resolution **Status:** Adopted

File created: 1/25/2021 **In control:** Administration

On agenda: 3/17/2021 **Final action:** 3/17/2021

Title: Dept/ Agency: Administration/Division of Personnel
 Action: () Ratifying (X) Authorizing () Amending
 Type of Service: Authorizing Mandatory Direct Deposit for City Employees
 Purpose: City-Wide
 Entity Name: City-Wide
 Entity Address: 920 Broad Street, Newark, New Jersey 07102
 Project Fiscal Impact: None
 Effective Date: Thursday, April 1, 2021
 Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
 () Fair & Open () No Reportable Contributions () RFP () RFQ
 () Private Sale () Grant () Sub-recipient (X) n/a
 Additional Information:

Sponsors: Carlos M. Gonzalez, LaMonica R. McIver

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
3/17/2021	1	Municipal Council	Adopt	Pass

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WHEREAS, P.L. 1981, C. 385 (C.52:14-15a) was amended by the State and General Assembly of the State of New Jersey to provide that municipalities (along with other State entities), may provide for mandatory direct deposit of net pay for all employees on or after July 1, 2014; and

WHEREAS, N.J.S.A. 52:14-15f (b) authorizes municipalities to require direct deposit for municipal employees, as well as authorizes the grant of an exemption from the requirements as the Municipal Council may deem necessary; and

WHEREAS, such “good cause” may include, for example, inability to obtain a bank account due to failed financial background check, or any special exceptions that may be permitted by law; and

WHEREAS, the City’s Chief Financial Officer recommends that the Municipal Council adopt this requirement for mandatory direct deposit of net pay because it will increase the productivity of the Department of Finance and decrease or eliminate costs associated with producing checks and replacing stolen or lost checks and will further advance the current public health goal of “social distancing” during the ongoing COVID-19 pandemic; and

WHEREAS, the Municipal Council desires to delegate its authority to grant exemptions to the Business Administrator for purposes of economy and efficiency.

NOW THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. All employees and elected public officials who receive compensation from the City of Newark, are mandated to have direct deposit of their compensation as of April 1, 2021, in accordance with N.J.S.A. 52:14-15f (b).

2. Municipal employees may request, in writing, an exemption from the direct deposit mandate to the City of Newark’s, Director of the Department of Finance/Chief Financial Officer. The Municipal Council delegates and authorizes the Business Administrator to review those requests for consideration and approval. Such requests will be presented to the Business Administrator within thirty (30) days with a recommendation to deny, or approve for good cause shown without Municipal Council approval.

3. Seasonal employees, temporary employees and employees granted exemptions to direct deposit by the Business Administrator, will be enrolled in the Money Network Electronic Payroll Program and issued a “Pay Card” (debit card) through the then existing designated bank used by the City of Newark for Pay Cards.

STATEMENT

Resolution authorizing mandatory direct deposit for all municipal employees and elected public officials of the City of Newark of their compensation, pursuant to N.J.S.A. 52:14-15f (b), and, for reasons including current public health concerns. The Municipal Council delegates it authority to grant exemptions to the Business Administrator for purposes of economy and efficiency.