

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 2747

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 9, 2022

The Senate Higher Education Committee reports favorably Senate Bill No. 2747, with committee amendments.

As amended, this bill directs the Division of Budget and Accounting, now also known as the Office of Management and Budget, in the Department of the Treasury to establish a fringe rate for the State's public colleges and universities that reflects the actual cost of employee fringe benefits.

Currently, the fringe rate used is not specific to employees at the State's public colleges and universities, but to State employees in general. This can cause inequities as many State employees are enrolled in the Public Employees' Retirement System (PERS), while many of the employees employed by State public colleges and universities are enrolled in the Alternative Benefit Plan (ABP).

COMMITTEE AMENDMENTS:

The committee amended the bill to provide that the separate fringe benefit rate for State colleges and universities will be established beginning with the State fiscal year 2023.