LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 4266

STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: JUNE 25, 2026

SUMMARY

Synopsis: Permits retired municipal code officials to return to part-time employment after 90-day period without reenrollment in PERS.

Type of Impact: Potential annual local expenditure reduction.

Agencies Affected: Certain local government units.

Office of Legislative Services Estimate

Annual Fiscal Impact	
Local Expenditure Decrease	Indeterminate

- The Office of Legislative Services (OLS) anticipates that permitting retired municipal code officials to return to part-time employment after a 90-day period without reenrollment in the Public Employees' Retirement System, and within three years after the effective date of the bill, will result in indeterminate expenditure decreases for the affected local employer provided that certain conditions are met and the qualified status of the retirement system can be maintained upon the bill's application.

- Such decreases will result from the returning official not incurring additional service credit upon reemployment.

- As the OLS does not know the number of retired officials who will return to employment under the bill's provisions, nor the salary of such officials, the reduction in costs is indeterminate.

BILL DESCRIPTION

This bill permits retired municipal code officials to return to part-time employment after a 90-day period without reenrollment in the Public Employees' Retirement System.

Under the bill, a former member of the Public Employees' Retirement System who served as a municipal code official and who has been granted a retirement allowance for any cause other than disability, may return to employment as a municipal code official within three years after the

effective date of the bill, and will be eligible to continue employment, without cancelation of the retirement and reenrollment in the system, if: (1) the return commences no fewer than 90 days after the date of retirement; (2) the former member had attained the service retirement age applicable to that member as of the date of retirement; and (3) the former member is re-employed as a part-time employee and works no more than 20 hours per week.

The bill requires the former member's retirement to have been a bona fide retirement and prohibits any return to employment to be prearranged before retirement.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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Section:	*State Government*
Analyst:	*Anna Harris* *Associate Fiscal Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).