

ASSEMBLY, No. 4430

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED DECEMBER 12, 2016

Sponsored by:

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblyman MICHAEL PATRICK CARROLL

District 25 (Morris and Somerset)

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Provides for increase in salary of certain public employees; permits receipt of compensation for published works by certain Executive Branch public officers.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the compensation of certain public employees,
 2 and amending various parts of the statutory law, amending the
 3 title and body of P.L.1948 c.16, and supplementing chapter 11
 4 of Title 52 of the Revised Statutes.

5
 6 **BE IT ENACTED** by the Senate and General Assembly of the State
 7 of New Jersey:

8
 9 1. N.J.S.2A:158-10 is amended to read as follows:
 10 2A:158-10. County prosecutors shall receive annual salaries to
 11 be fixed by the governing body of the county at **【\$153,000**
 12 **beginning on January 1, 2008 and 】 \$165,000 beginning on January**
 13 **1, 2009, \$170,000 beginning on January 1, 2017, and \$175,000**
 14 **beginning on January 1, 2018** and thereafter.

15 There shall be appropriated annually to the Department of
 16 Community Affairs for payment to each county for additional salary
 17 costs resulting from the increase in the salary of county prosecutors
 18 an amount equal to the amount by which the annual salary paid to
 19 the county prosecutor under this section exceeds \$100,000.00.
 20 (cf: P.L.2007, c.350, s.2)

21
 22 2. N.J.S.2B:2-4 is amended to read as follows:
 23 2B:2-4. Judicial Salaries. **【Annual salaries of justices and**
 24 **judges beginning on January 1, 2008 shall be:**

25	Chief Justice of the Supreme Court	\$183,182
26	Associate Justice of the Supreme Court	\$176,488
27	Judge of the Superior Court,	
28	Appellate Division	\$167,023
29	Judge of the Superior Court,	
30	Assignment Judge	\$163,404
31	Judge of the Superior Court;	
32	Judge of the Tax Court	【\$157,000】

33 Annual salaries of justices and judges beginning on January 1,
 34 2009 and thereafter shall be:

35	Chief Justice of the Supreme Court	\$192,795
36	Associate Justice of the Supreme Court	\$185,482
37	Judge of the Superior Court,	
38	Appellate Division	\$175,534
39	Judge of the Superior Court,	
40	Assignment Judge	\$171,731
41	Judge of the Superior Court;	
42	Judge of the Tax Court	\$165,000

43 The annual salaries of justices and judges shall be increased by
 44 three percent on January 1, 2017. The annual salaries of justices
 45 and judges for the year beginning January 1, 2017 shall be
 46 increased by three percent beginning on January 1, 2018.

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.

1 Beginning on January 1, 2019 and thereafter, the amount of the
2 annual salary determined for the prior calendar year shall be
3 adjusted annually by the State Treasurer in direct proportion to the
4 percent change in the Consumer Price Index over a 12-month period
5 beginning November 1 and ending October 31. For the purpose of
6 this subsection, "Consumer Price Index" means the Consumer Price
7 Index for All Urban Consumers, New York-Northern New Jersey-
8 Long Island Metropolitan Area, All Items (1982-84=100), as
9 published by the Bureau of Labor Statistics in the United States
10 Department of Labor. The State Treasurer shall determine the
11 amount of the adjustment by December 1 of each year and the
12 adjustment shall become effective for payments to be made during
13 the calendar year following the determination, beginning with
14 payments made on or after January 1 of each calendar year. An
15 adjustment in the annual payment shall be made only if the percent
16 change in the Consumer Price Index for the period specified is
17 greater than zero. If the reference base of the index is changed, the
18 index used to determine the Consumer Price Index shall be the
19 index converted to the new base by standard statistical methods.
20 The first adjustment determination shall be made by December 1,
21 2018 and applicable to payments commencing on January 1, 2019.
22 (cf: P.L.2007, c.350, s.1)

23
24 3. Section 1 of P.L.1948, c.16 (C.52:10A-1) is amended to read
25 as follows:

26 1. a. Members of the Senate and General Assembly shall
27 receive annually, during the term for which they shall have been
28 elected and while they shall hold their office, compensation in the
29 sum of **[\$35,000.00 beginning with the 1990 legislative year and**
30 **compensation in the sum of]** \$49,000 beginning with the 2002
31 legislative year and thereafter. The President of the Senate and the
32 Speaker of the General Assembly, each by virtue of his office, shall
33 receive an additional allowance, equal to 1/3 of his compensation as
34 a member. The compensation herein provided shall be paid to each
35 member upon his qualifying into office as such member, and the
36 additional allowance herein provided to the President of the Senate
37 and the Speaker of the General Assembly shall be paid upon his
38 qualifying into office as such officer.

39 b. Each member of the Senate and General Assembly shall be
40 provided with an allowance of not less than \$140,000 during each
41 annual legislative session for member staff services commencing
42 with the 2017 annual session. There shall be appropriated annually
43 to the Legislature, from the general revenues of the State, the
44 amount necessary to provide such an allowance to each member.
45 (cf: P.L.1999, c.380, s.12)

46
47 4. Section 13 of P.L.1971, c.182 (C.52:13D-24) is amended to
48 read as follows:

1 13. a. No State officer or employee, special State officer or
2 employee, or member of the Legislature shall solicit, receive or
3 agree to receive, whether directly or indirectly, any compensation,
4 reward, employment, gift, honorarium, out-of-State travel or
5 subsistence expense or other thing of value from any source other
6 than the State of New Jersey, for any service, advice, assistance,
7 appearance, speech or other matter related to the officer, employee,
8 or member's official duties, except as authorized in this section.

9 b. A State officer or employee, special State officer or
10 employee, or member of the Legislature may, in connection with
11 any service, advice, assistance, appearance, speech or other matter
12 related to the officer, employee, or member's official duties, solicit,
13 receive or agree to receive, whether directly or indirectly, from
14 sources other than the State, the following:

15 (1) reasonable fees for published books on matters within the
16 officer, employee, or member's official duties;

17 (2) reimbursement or payment of actual and reasonable
18 expenditures for travel or subsistence and allowable entertainment
19 expenses associated with attending an event in New Jersey if
20 expenditures for travel or subsistence and entertainment expenses
21 are not paid for by the State of New Jersey;

22 (3) reimbursement or payment of actual and reasonable
23 expenditures for travel or subsistence outside New Jersey, not to
24 exceed \$500.00 per trip, if expenditures for travel or subsistence
25 and entertainment expenses are not paid for by the State of New
26 Jersey. The \$500 per trip limitation shall not apply if the
27 reimbursement or payment is made by (a) a nonprofit organization
28 of which the officer, employee, or member is, at the time of
29 reimbursement or payment, an active member as a result of the
30 payment of a fee or charge for membership to the organization by
31 the State or the Legislature in the case of a member of the
32 Legislature; (b) a nonprofit organization that does not contract with
33 the State to provide goods, materials, equipment, or services; or (c)
34 any agency of the federal government, any agency of another state
35 or of two or more states, or any political subdivision of another
36 state.

37 Members of the Legislature shall obtain the approval of the
38 presiding officer of the member's House before accepting any
39 reimbursement or payment of expenditures for travel or subsistence
40 outside New Jersey.

41 As used in this subsection, "reasonable expenditures for travel or
42 subsistence" means commercial travel rates directly to and from an
43 event and food and lodging expenses which are moderate and
44 neither elaborate nor excessive; and "allowable entertainment
45 expenses" means the costs for a guest speaker, incidental music and
46 other ancillary entertainment at any meal at an event, provided they
47 are moderate and not elaborate or excessive, but does not include
48 the costs of personal recreation, such as being a spectator at or

1 engaging in a sporting or athletic activity which may occur as part
2 of that event.

3 c. This section shall not apply to the solicitation or acceptance
4 of contributions to the campaign of an announced candidate for
5 elective public office, except that campaign contributions may not
6 be accepted if they are known to be given in lieu of a payment
7 prohibited pursuant to this section.

8 d. (1) Notwithstanding any other provision of law, a designated
9 State officer as defined in paragraph (2) of this subsection shall not
10 solicit, receive or agree to receive, whether directly or indirectly,
11 any compensation, salary, honorarium, fee, or other form of income
12 from any source, other than the compensation paid or reimbursed to
13 him or her by the State for the performance of official duties, for
14 any service, advice, assistance, appearance, speech or other matter,
15 except for investment income from stocks, mutual funds, bonds,
16 bank accounts, notes, a beneficial interest in a trust, financial
17 compensation received as a result of prior employment or
18 contractual relationships, and income from the disposition or rental
19 of real property, or any other similar financial instrument and
20 except for compensation for books and published works or
21 reimbursement for travel as authorized in paragraphs (2) and (3) of
22 subsection b. of this section. To receive such income, a designated
23 State officer shall first seek review and approval by the State Ethics
24 Commission to ensure that the receipt of such income does not
25 violate the "New Jersey Conflicts of Interest Law," P.L.1971, c.182
26 (C.52:13D-12 et seq.) or any applicable code of ethics, and does not
27 undermine the full and diligent performance of the designated State
28 officer's duties.

29 (2) For the purposes of this subsection, "designated State
30 officer" shall include: the Governor, the Adjutant General, the
31 Secretary of Agriculture, the Attorney General, the Commissioner
32 of Banking and Insurance, the director of the Division of Business
33 Assistance, Marketing, and International Trade, the Commissioner
34 of Community Affairs, the Commissioner of Corrections, the
35 Commissioner of Education, the Commissioner of Environmental
36 Protection, the Commissioner of Health **【and Senior Services】**, the
37 Commissioner of Human Services, the Commissioner of Children
38 and Families, the Commissioner of Labor and Workforce
39 Development, the President of the State Board of Public Utilities,
40 the Secretary of State, the Superintendent of State Police, the
41 Commissioner of Transportation, the State Treasurer, the head of
42 any other department in the Executive Branch, and the following
43 members of the staff of the Office of the Governor: Chief of Staff,
44 Chief of Management and Operations, Chief of Policy and
45 Communications, Chief Counsel to the Governor, Director of
46 Communications, Policy Counselor to the Governor, and any
47 deputy or principal administrative assistant to any of the

1 aforementioned members of the staff of the Office of the Governor
2 listed in this subsection.

3 e. A violation of this section shall not constitute a crime or
4 offense under the laws of this State.

5 (cf: P.L. 2008, c.29, s.105)

6

7 5. Section 1 of P.L.1974, c.55 (C.52:14-15.107) is amended to
8 read as follows:

9 1. Notwithstanding the provisions of the annual appropriations
10 act and section 7 of P.L.1974, c.55 (C.52:14-15.110), the Governor
11 shall fix and establish the annual salary **[,]** for each of the following
12 officers in an amount not to exceed **[\$133,330 in calendar year**
13 **2000, \$137,165 in calendar year 2001 and]** \$141,000 in calendar
14 year 2002 and thereafter, **[for each of]** and in an amount not to
15 exceed \$175,000, but not less than \$141,000, in calendar year 2017
16 and thereafter. For calendar year 2017 and thereafter, the Governor
17 shall determine the annual salary for each of the following officers
18 in an amount, within the limits set, appropriate for each officer.

19 This section shall apply to the following officers:

20 Title

21 Agriculture Department

22 Secretary of Agriculture

23 Children and Families Department

24 Commissioner of Children and Families

25 Community Affairs Department

26 Commissioner of Community Affairs

27 Corrections Department

28 Commissioner of Corrections

29 Education Department

30 Commissioner of Education

31 Environmental Protection Department

32 Commissioner of Environmental Protection

33 Health **[and Senior Services]** Department

34 Commissioner of Health **[and Senior Services]**

35 Human Services Department

36 Commissioner of Human Services

37 Banking and Insurance Department

38 Commissioner of Banking and Insurance

39 Labor and Workforce Development Department

40 Commissioner of Labor and Workforce Development

41 Law and Public Safety Department

42 Attorney General

43 Military and Veterans' Affairs Department

44 Adjutant General

45 State Department

46 Secretary of State

47 Transportation Department

1 Commissioner of Transportation
2 Treasury Department
3 State Treasurer
4 Members, Board of Public Utilities
5 (cf: P.L.2010, c.34, s.16)
6

7 6. Section 6 of P.L.1950, c.270 (C.52:18A-84) is amended to
8 read as follows:

9 6. The Division of Investment established hereunder shall be
10 under the immediate supervision and direction of a director, who
11 shall be a person qualified by training and experience to direct the
12 work of such division. The director of such division shall be
13 appointed by the State Treasurer from a list of one or more persons
14 qualified for such office and submitted to the State Treasurer by the
15 State Investment Council; provided, that the State Treasurer may
16 require the submission of an additional list or lists. Each list so
17 submitted by the council shall also contain the qualifications of
18 each person whose name appears thereon who shall be certified by
19 the council to the State Treasurer as qualified for the office of
20 director of such division. The detailed qualifications of each person
21 so named by the council shall be contained in such certification.

22 Any director so appointed shall serve without term but may be
23 removed from office (a) by the State Treasurer, for cause, upon
24 notice and opportunity to be heard at a public hearing, or (b) by the
25 State Investment Council, if seven or more members thereof shall
26 vote for such director's removal from office.

27 Any vacancy occurring in the office of the Director of the
28 Division of Investment shall be filled in the same manner as the
29 original appointment.

30 The director of said division shall devote his entire time and
31 attention to the duties of his office and shall not be engaged in any
32 other occupation or profession. Notwithstanding any other
33 provision of law to the contrary, the State Treasurer shall determine
34 the salary of the director **【the amount of which shall not exceed**
35 **\$200,000】**.

36 (cf: P.L.1998, c.38, s.2)
37

38 7. (New section) The annual salary of the executive director of
39 each full time legislative staff operating under the direction of the
40 Senate President, the Speaker of the General Assembly, and the
41 Minority Leaders of each House of the Legislature shall be fixed
42 and established by the President of the Senate and by the Speaker of
43 the General Assembly, as appropriate, for each director in any
44 amount that the President or Speaker determines to be appropriate
45 for that director, but shall not exceed \$175,000 in calendar year
46 2017 and thereafter.
47

48 8. The Title of P.L.1948, c.16 is amended to read as follows:

1 An Act fixing the annual compensation of members of the Senate
2 and General Assembly and providing for the payment thereof and
3 for the payment of an additional allowance to the President of the
4 Senate and the Speaker of the General Assembly and an additional
5 allowance for staff services to each member thereof.

6 (cf: P.L.1948, c.16, Title)

7
8 9. This act shall take effect immediately.

9
10
11 STATEMENT

12
13 This bill increases the maximum salary allowed for the
14 Governor's cabinet officers and members of the Board of Public
15 Utilities (BPU) to \$175,000 for calendar year 2017 and thereafter,
16 while also setting \$141,000 as the minimum required salary. The
17 language in current law is modified to specifically recognize that
18 the Governor may establish the annual salary for the cabinet
19 officers and BPU members in any amount not less than \$141,000
20 that the Governor determines to be appropriate for each person.
21 The Governor requires the flexibility to set the annual salary at any
22 amount within the limits specified, which need not be the same for
23 all of these officers.

24 In addition, the bill provides for an annual three percent increase
25 in 2017 and in 2018 in the annual salaries for the justices of the
26 Supreme Court, Appellate Division judges, Assignment judges,
27 judges of the Superior Court, and judges of the Tax Court. The bill
28 provides for an automatic annual adjustment of those salaries for
29 calendar year 2019 and thereafter based on the change in the
30 Consumer Price Index. Under current law, the annual salary for
31 workers' compensation judges, administrative law judges,
32 surrogates, county clerks, registers of deeds and mortgages, and
33 sheriffs are linked to the annual salary for a Superior Court judge so
34 that they receive the specific or minimum percentage, that is set by
35 law, of the Superior Court judges' salaries. The statutes that
36 provide for these linked salaries are clearly mandatory in nature and
37 when the salaries of judges are increased, the linked salaries must
38 also be increased, including retroactively. The statutory language
39 must be complied with, including retroactively, to achieve the
40 Legislature's intent.

41 The bill removes the \$200,000 cap placed on the salary of the
42 Director of the Division of Investment.

43 The bill codifies the annual allowance provided to each member
44 of the Senate and General Assembly for member staff services,
45 which will be \$140,000 beginning in the 2017 legislative session.
46 The current allowance is \$110,000 and is not provided for by
47 statute.

1 The bill codifies a provision for the annual salary of the
2 executive director of each full time legislative staff operating under
3 the direction of the Senate President, the Speaker of the General
4 Assembly, and the Minority Leaders of each House of the
5 Legislature. Currently, these salaries are not provided for by
6 statute. Under the bill, the salary for each executive director will be
7 fixed and established by the President of the Senate or by the
8 Speaker of the General Assembly, as appropriate, in any amount
9 that the President or Speaker determines to be appropriate for that
10 director, but not to exceed \$175,000 in calendar year 2017 and
11 thereafter. While this maximum amount for the annual salary is
12 identical to the maximum amount for the annual salary for the
13 Governor's cabinet officers and members of the Board of Public
14 Utilities, the President of the Senate and the Speaker of the General
15 Assembly will have complete discretion to set the salaries for the
16 legislative executive directors at any amount that is at or below this
17 maximum, as they deem appropriate, regardless of the decisions
18 made by the Governor for the salaries of the cabinet officers and
19 members of the Board of Public Utilities. The President and
20 Speaker require the flexibility to set the annual salary for each
21 executive director at any amount, whether at or below the
22 maximum, irrespective of the salaries of the Executive Branch
23 officers.

24 Finally, this bill adds compensation for books and published
25 works to the list of income a designated State officer may solicit or
26 receive. The designated State officer must first seek review and
27 approval by the State Ethics Commission to ensure that the receipt
28 of such income does not violate the "New Jersey Conflicts of
29 Interest Law" or any applicable code of ethics, and that it does not
30 undermine the full and diligent performance of the designated State
31 officer's duties.

32 The law defines "designated State officer" as the:

33 Governor;
34 Adjutant General;
35 Secretary of Agriculture;
36 Attorney General;
37 Commissioner of Banking and Insurance;
38 Director of the Division of Business Assistance, Marketing, and
39 International Trade;
40 Commissioner of Community Affairs;
41 Commissioner of Corrections;
42 Commissioner of Education;
43 Commissioner of Environmental Protection;
44 Commissioner of Health;
45 Commissioner of Human Services;
46 Commissioner of Children and Families;
47 Commissioner of Labor and Workforce Development;
48 President of the State Board of Public Utilities;

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1 Secretary of State;
2 Superintendent of State Police;
3 Commissioner of Transportation;
4 State Treasurer;
5 Head of any other department in the Executive Branch; and
6 Staff of the Office of the Governor (Chief of Staff, Chief of
7 Management and Operations, Chief of Policy and Communications,
8 Chief Counsel to the Governor, Director of Communications, Policy
9 Counselor to the Governor, and any deputy or principal
10 administrative assistant to any of the aforementioned staff
11 members).