

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3914

with committee amendments

STATE OF NEW JERSEY

DATED: JULY 28, 2020

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 3914.

As amended, this bill provides for the temporary employment of former public employees who retired from the Public Employees' Retirement System, the Police and Firemen's Retirement System, or the State Police Retirement System, during the Public Health Emergency or State of Emergency declared by the Governor in Executive Order No. 103 of 2020.

The bill permits a public employee to be eligible for participation in the State Health Benefits Program immediately upon hire, provided such person is or was hired as a new employee on or after February 3, 2020 to provide services needed because of the coronavirus disease 2019 (COVID-19) pandemic.

This bill removes the limit, during the Public Health Emergency or State of Emergency declared by the Governor in Executive Order No. 103 of 2020, on the number of Class Two special law enforcement officers that may be employed by a local unit.

This bill provides that, during the Public Health Emergency or State of Emergency declared by the Governor in Executive Order No. 103 of 2020, any person who has completed a training course commonly referred to as Alternate Route Training will be eligible for appointment as a Class Two special law enforcement officer by a local unit for such time as the Public Health Emergency or State of Emergency remains in effect.

This bill provides that the members of the 160th Class of the New Jersey State Police Academy, which commenced training on February 24, 2020, will be enrolled in the State Police Retirement System with contributions by both the State and the member to the system beginning on August 7, 2020, the originally scheduled date of their academy graduation which was extended as a result of the Public Health Emergency and State of Emergency declared by the Governor in Executive Order No. 103 of 2020. The period of membership beginning on August 7, 2020 and thereafter will be deemed creditable service as a member of the system. In addition, upon completion of pre-service training and graduation from the New Jersey State Police Academy, members of the 160th Class of the New Jersey State Police

Academy will be eligible for appointment as sworn members of the New Jersey State Police at that time regardless of age.

This bill provides that a member of the State Police who attains the age of 55 years while in active service on or after the effective date of this bill will not be required to retire and may continue in active service during the Public Health Emergency or State of Emergency declared by the Governor in Executive Order No. 103 of 2020. Also, a member of the Police and Firemen's Retirement System of New Jersey or a law enforcement officer who is a member of the Public Employees' Retirement System who attains the mandatory retirement age while in active service on or after the effective date of this bill will not be required to retire and may continue in active service during the Public Health Emergency or State of Emergency declared by the Governor in Executive Order No. 103 of 2020.

Finally, the bill permits a participant of the alternate benefit program or the defined contribution retirement program to receive a distribution under a federal stimulus program in response to the coronavirus disease 2019 (COVID-19) pandemic, including, but not limited to, a "coronavirus-related distribution" under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (2020), and remain employed.

As reported by the committee, Assembly Bill No. 3914 is identical to Senate Bill No. 2376, which also was reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments:

Enroll members of the 160th Class of the New Jersey State Police Academy into the State Police Retirement System on August 7, 2020, the originally scheduled date of their academy graduation which was extended as a result of the Public Health Emergency and State of Emergency declared by the Governor in Executive Order No. 103 of 2020;

Require that contributions to the system by both the State and the member begin on August 7, 2020; and

Deem the period of membership beginning on August 7, 2020 creditable service as a member of the system.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in indeterminate temporary increases in State and local government expenditures. The increase in salary, health care, and retirement system costs associated with this bill are indeterminate because no information is available on the number of new public employees, retired public employees, or Class Two special law enforcement officers who would be hired, the number of new State troopers who would be enrolled in the retirement system, and the

number of law enforcement officers who would delay their retirement beyond the mandatory retirement date. There is also no information on the length of employment for those new employees, retired employees, and special law enforcement officers hired under the authorization provided by this bill, nor on the length of continued employment for those law enforcement officers who delay their retirement. There is no salary information with regard to these employments.

At this time, it is unknown if the State or local units may be eligible for reimbursement for the additional costs of this bill by the federal government under the CARES Act or subsequent federal acts.