SENATE, No. 145

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Senator GERALD CARDINALE
District 39 (Bergen and Passaic)

SYNOPSIS

Limits retroactive salary increases for certain public employees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT limiting retroactive salary increases for certain public employees and supplementing Title 52 of the Revised Statutes.

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

1. A public agency shall not grant a retroactive salary increase in excess of five percent of salary to any employee of that agency.

No public agency shall grant a retroactive salary increase to any employee of that agency if the agency is aware that the employee will leave service with that agency within one year. Any employee who leaves employment with an agency after having received a retroactive salary increase within the immediately preceding one year period shall repay the increase and the increased salary shall not be used to calculate any benefit that the employee may be entitled to upon termination.

As used in this section, "public agency" means any principal department in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, any independent State authority, commission, instrumentality and agency, and any State college or university, any county college, and any unit of local government including a county, municipality, board of education and any board, commission, committee, authority or agency thereof included or operating in whole or in part, within the territorial boundaries of any county, municipality or board of education which exercises functions which are appropriate for the exercise by one or more units of local government

The provisions of this section shall not affect the payment of any retroactive salary increase provided for by any individual contract of employment in effect on the effective date of this act, P.L. , c. (C.).

The provisions of this section shall not affect the payment of any retroactive salary increase provided for by any collective negotiations agreement.

The Office of the State Comptroller shall monitor compliance with the provisions of this section.

2. This act shall take effect immediately.

STATEMENT

This bill would prohibit State agencies in the Executive branch of State government, independent State authorities and commissions, public institutions of higher education, and units of

local government from granting to any employee of that agency a retroactive salary increase greater than five percent of salary. It would also prohibit an agency from granting any retroactive salary increase to any employee if the employer is aware that the employee will leave service within one year. In addition, it provides that any employee who leaves employment within one year of receiving a retroactive salary increase must repay the increase and the increased salary will not be used to calculate any benefit the employee may be entitled to upon termination.

The bill's provisions will not affect the payment of any retroactive salary increase provided for by any individual contract of employment in effect on the bill's effective date.

The bill's provisions will not affect the payment of any retroactive salary increase provided for by any collective negotiations agreement.

The Office of the State Comptroller will monitor compliance with the bill's provisions.