SENATE, No. 207

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Senator CHRISTOPHER J. CONNORS
District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS

Makes public officers or employees convicted of certain crimes or found at fault in certain civil actions liable and subject to pension garnishment for public legal expenses and illegally obtained funds.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT concerning reimbursement of public legal expenses and restitution of public funds by public officers or employees convicted of certain crimes or found at fault in certain civil actions, and supplementing chapter 1 of Title 43 of the Revised Statutes.

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

1. a. Notwithstanding the provisions of any other law to the contrary, any person who serves or has served as a public officer or employee under the government of this State, or any political subdivision thereof:

(1) who is convicted of a crime that involves or touches that office or employment shall be liable to the Attorney General, county prosecutor, or United States Attorney, as appropriate, for the cost of prosecution and, if that person receives legal representation at public expense, shall be liable to the public entity that paid for the representation for the cost thereof, except for the cost of representation by the Office of the Public Defender pursuant to P.L.1967, c.43 (C.2A:158A-1 et seq.) unless the cost of services is recoverable under that act; or

(2) who is determined by a court of competent jurisdiction to have been at fault in any civil matter that involves or touches that office or employment and who has received legal representation in connection with that matter at public expense, shall be liable to the public entity that paid for the representation for the cost thereof.

b. Notwithstanding the provisions of any other law to the contrary, the retirement benefit or pension contributions in a State-administered retirement system or fund, as appropriate, of any person liable to a public entity (1) pursuant to subsection a. of this section or (2) pursuant to a money judgment obtained by the State or other public employer and rendered against that person if convicted of an offense under the provisions of chapter 27 of Title 2C of the New Jersey Statutes, or any other offense involving a theft or misuse of public funds, or any attempt or conspiracy to commit any such offense, shall be subject to garnishment, attachment or other process in order to satisfy the liability.

2. a. On the effective date of this act, P.L. , c. (C.) (pending before the Legislature as this bill), the Division of Pensions and Benefits in the Department of the Treasury shall seek a determination letter from the Internal Revenue Service confirming the status of the State-administered retirement systems and funds, under the provisions of this act, as qualified plans under federal law.

b. In the event the division receives a determination letter from the Internal Revenue Service stating that this act, P.L. , c. (C.) (pending before the Legislature as this bill), changes the status of the State-administered retirement systems and funds so that they are no longer qualified plans under federal law, subsection b. of section 1 of this act shall be void and shall expire immediately.

3. This act shall take effect immediately.

STATEMENT

This bill provides that any person who serves or has served as a public officer or employee under the government of this State, or any political subdivision thereof, who is convicted of a crime that involves or touches that office or employment will be liable to the Attorney General, county prosecutor, or United States Attorney, as appropriate, for the cost of prosecution and, if that person receives legal representation at public expense, will be liable to the public entity that paid for the representation for the cost thereof, except representation by the Office of the Public Defender pursuant to N.J.S.A.2A:158A-1 et seq. unless the cost of services is recoverable under that act. It also provides that any such person who is determined by a court of competent jurisdiction to have been at fault in any civil matter that involves or touches that office or employment and who has received legal representation in connection with that matter at public expense, will be liable for the cost of that representation.

The bill provides that the retirement benefit or pension contributions, as appropriate, of any person liable to a public entity for legal expenses or for a money judgment obtained by the State or other public employer and rendered against that person if convicted of an offense under the provisions of chapter 27 of Title 2C of the New Jersey Statutes, or any other offense involving a theft or misuse of public funds, or any attempt or conspiracy to commit any such offense, will be subject to garnishment, attachment or other process in order to satisfy the liability.

In addition, the bill requires that on its effective date, the Division of Pensions and Benefits in the Department of the Treasury seek a determination letter from the Internal Revenue Service confirming the status of the State-administered retirement systems and funds, under its provisions, as qualified plans under federal law. If the determination letter states that the bill changes the status of the State-administered retirement systems and funds so that they are no longer qualified plans under federal law, subsection b. of section 1 of the bill will be void and will expire immediately.