

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 4063

STATE OF NEW JERSEY

DATED: JANUARY 6, 2022

The Assembly Appropriations Committee reports favorably Senate Bill No. 4063 (1R).

This bill amends a provision of the Fiscal Year 2022 appropriations act (P.L.2021, c.133). General provision 75 of the appropriations act overrides current law for State Fiscal Year 2022 to prohibit the payment of certain compensation or benefits to members of various State commissions, boards, and committees, including the New Jersey Maritime Pilot and Docking Pilot Commission.

The bill amends this provision of the appropriations act, allowing statutory law to take effect, which requires the payment of \$28,000 in annual compensation to each commissioner of the New Jersey Maritime Pilot and Docking Pilot Commission for the period of July 1, 2021 through June 30, 2022, as provided for by current law (R.S.12:8-4).

Existing law (R.S.12-8-1) requires that each commissioner be enrolled in the Public Employees' Retirement System and be eligible to participate in the State Health Benefits Program.

The bill amends several parts of the statutory law to allow commissioners appointed to the New Jersey Maritime Pilot and Docking Pilot Commission to enroll in the Public Employees' Retirement System and be eligible to participate in the State Health Benefits Program, in order to give effect to R.S.12:8-1. Under the bill as amended, these commissioners would no longer be eligible for participation in the Defined Contribution Retirement Program.

This bill will allow the salary, pension, and health care benefits provisions of existing law to be effective for Fiscal Year 2022 and thereafter.

As reported by the committee, Senate Bill No. 4063 (1R) is identical to Assembly Bill No. 6220 (1R), which also was reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill will result in a net State expenditure increase in FY 2022 of \$225,928 for salary and contributions to the Public Employees' Retirement System (PERS) for each commissioner, with an additional

indeterminate expenditure increase for State Health Benefits Program (SHBP) coverage.

The State's contributions to the PERS and SHBP for the commissioners will be a recurring indeterminate cost to the State.

Current law authorizes the commission to charge a fee for the services it performs. The allowable fee may not exceed 3 percent of the amount maritime pilots charge for their services. The commission's fee is used to pay for its administrative expenses, including salaries and benefits. Any additional fees generated from a rate increase to cover the costs of this bill would represent a revenue increase to the State. However, the OLS cannot project the revenue needed to cover the increase in expenses from the reinstatement of salary and benefits.