

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4098

STATE OF NEW JERSEY

DATED: DECEMBER 6, 2021

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 4098.

This bill changes the eligibility criteria for a deferred retirement for a member of the Judicial Retirement System (JRS) who has been appointed by the Chief Justice of the Supreme Court to serve as the Administrative Director of the Courts.

The bill amends current law to provide a deferred retirement to such a JRS member who is at least 65 years of age, has the necessary judicial service credit for a full judicial retirement, and has served for 20 years as a judge for any court in New Jersey. Current law requires 25 years as a judge for any court in New Jersey; this bill reduces 25 to 20 years.

If such a person attains the age of 70 years while still serving as the Administrative Director of the Courts, current law overrides the mandatory retirement age of 70 set forth in the JRS law and regulations and allows for the deferment of the mandatory retirement for JRS to the first day of the month following the termination of the member's service as the Administrative Director of the Courts.

The bill also amends current law to provide post-retirement health care benefits through the State Health Benefits Program (SHBP) to the JRS member who deferred retirement to serve as the Administrative Director of the Courts if the person was eligible for such benefits at the time of terminating employment as a judge.

As reported, this bill is identical to Assembly Bill No. 5998, which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services finds this bill will reduce the total number of retirement allowances paid to a judge in retirement, and therefore expenditures from the pension fund for the Judicial Retirement System by an indeterminate amount, by the number of monthly retirement allowances that are deferred while the former judge is working as the Administrative Director of the Courts.