SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4249

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2021

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 4249.

This bill provides that State unclassified managers with the employee relations group designation of managerial who are represented by the International Brotherhood of Electrical Workers and who have a designation code of &98 will receive annual salary increases for each year of a collective negotiations agreement with the State based upon the following scale:

Final Annual ePAR Rating	Increase
5 on a 5-tier rating system	5 percent
3 on a 3-tier rating system	5 percent
4 on a 5-tier rating system	4 percent
3 on a 5-tier rating system	3 percent
2 on a 3-tier rating system	3 percent

The annual salary increases will be awarded until the employee reaches the salary limitation as determined through collective negotiations.

For those hired or promoted before January 1, 2020 into the position held on the effective date of the bill, the annual increase will be based on their current salary. For those hired or promoted on or after January 1, 2020 into the position held on the effective date of the bill, the annual increase will be based on their initial starting salary. In the absence of a Final Annual PAR Rating, the salary increase awarded will be four percent of base salary.

The salary increases provided by this bill will be retroactive to January 1, 2020.

FISCAL IMPACT

The Office of Legislative Services (OLS) estimates that this bill will result in an indeterminate annual expenditure increase for the State. The fiscal impact cannot be determined because the OLS does not have information on the number of employees covered since January 1, 2020 and the current compensation and ePAR rating for each employee. An increase in compensation also increases the State's contribution to the retirement system in which the employee is

enrolled and the State's payment as an employer for various other fringe benefits costs paid by an employer.