

52:14-15A to 52:14-15E

LEGISLATIVE HISTORY CHECKLIST

(State employees-certain-paychecks--allow State Treasurer to deposit in certain banking institutions)

NJSA 52:14-15A to 52:14-15E

LAWS 1981

CHAPTER 385

Bill No. A-3426

Sponsor(s) Kalik

Date Introduced June 8, 1981

Committee: Assembly Banking and Insurance

Senate State Gov't Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes

~~XX~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly Dec 7, 1981

Senate Dec 17, 1981

Date of approval Jan 4, 1982

Following statements are attached if available:

Sponsor statement Yes ~~XX~~

Committee Statement: Assembly Yes ~~XX~~

Senate XXX No

Fiscal Note XXX No

Veto Message XXX No

Message on signing Yes ~~XX~~

Following were printed:

Reports XXXX No

Hearings XXXX No

DEPOSITORY COPY
Do Not Remove From Library

6/22/81

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 3426

STATE OF NEW JERSEY

INTRODUCED JUNE 8, 1981

By Assemblywoman KALIK

Referred to Committee on Banking and Insurance

AN ACT authorizing the State Treasurer to deposit pay checks of certain State employees in specific banking institutions under certain circumstances and supplementing chapter 14 of Title 52 of the Revised Statutes.

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

1 1. Whenever any person holding public office, position or em-
2 ployment, whose compensation is paid by this State or by any
3 board, body, agency, authority or commission thereof ***[(herein]**
4 ***, hereinafter*** referred to as "employee"***)**, shall indicate in
5 writing to the proper disbursing officer his desire to have his net
6 pay ***[check]** deposited in a specific banking institution in a des-
7 ignated checking account, savings account, or *share* account ***[for**
8 the purchase of shares**]** for such employee, the State Treasurer
9 shall make the deposit in the respective banking institution on
10 behalf of the employee.

1 2. If more than one employee designates the same banking in-
2 stitution as the depository for his net pay, the State Treasurer
3 may make the deposits by sending to the banking institution *an*
4 *electronic fund transfer*, a computer tape or a check that is drawn
5 in favor of the banking institution for the total amount designated
6 by those employees and by specifying the amount to be credited to
7 the account of each of those employees.

1 3. For purposes of this act:

2 "Net pay" means the ***[final]** *net* amount of wages or com-
3 pensation owed by the State to an employee *in any pay period*
4 after withholding of various federal and State taxes and all other
5 deductions authorized by law including deductions construed as
6 voluntary payments;

7 "Banking institution" means a ***[bank and a savings bank or-**
8 organized under the laws of this State, and a national bank organized

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

9 under the laws of the United States; the term shall also include
10 credit unions organized under federal or State laws; savings and
11 loan associations organized pursuant to an Act of Congress ap-
12 proved June 30, 1933, entitled "Home Owners' Loan Act of 1933"
13 or any subsequent Act of Congress or operating pursuant to P. L.
14 1963, c. 144 (C. 17:12B-1 et seq.).**】*** **State or federally chartered*
15 *bank, savings bank, savings and loan association, or credit union.**

1 4. Any written designation may be withdrawn by an employee
2 at any time by filing the notice of withdrawal with his respective
3 disbursing officer. The filing of notice of withdrawal shall be effec-
4 tive to halt deposits as of the thirtieth day next succeeding the
5 date on which it is filed.

1 5. Subect to the "Administrative Procedure Act" (P. L. 1968, c.
2 410, C. 52:14B-1 et seq.), the State Treasurer shall adopt all rules
3 and regulations necessary to effectuate this act.

1 6. This act shall take effect January 1 next following enactment.

ASSEMBLY, No. 3426

STATE OF NEW JERSEY

INTRODUCED JUNE 8, 1981

By Assemblywoman KALIK

Referred to Committee on Banking and Insurance

AN ACT authorizing the State Treasurer to deposit pay checks of certain State employees in specific banking institutions under certain circumstances and supplementing chapter 14 of Title 52 of the Revised Statutes.

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

1 1. Whenever any person holding public office, position or em-
2 ployment, whose compensation is paid by this State or by any
3 board, body, agency, authority or commission thereof (herein re-
4 ferred to as "employee"), shall indicate in writing to the proper
5 disbursing officer his desire to have his net pay check deposited
6 in a specific banking institution in a designated checking account,
7 savings account, or account for the purchase of shares for such
8 employee, the State Treasurer shall make the deposit in the re-
9 spective banking institution on behalf of the employee.

1 2. If more than one employee designates the same banking in-
2 stitution as the depository for his net pay, the State Treasurer
3 may make the deposits by sending to the banking institution a
4 computer tape or a check that is drawn in favor of the banking
5 institution for the total amount designated by those employees and
6 by specifying the amount to be credited to the account of each of
7 those employees.

1 3. For purposes of this act:

2 "Net pay" means the final amount of wages or compensation
3 owed by the State to an employee after withholding of various
4 Federal and State taxes and all other deductions authorized by
5 law including deductions construed as voluntary payments;

6 "Banking institution" means a bank and a savings bank organized
7 under the laws of this State, and a national bank organized under
8 the laws of the United States; the term shall also include credit
9 unions organized under Federal or State laws; savings and loan

10 associations organized pursuant to an Act of Congress approved
11 June 30, 1933, entitled "Home Owners' Loan Act of 1933" or any
12 subsequent Act of Congress or operating pursuant to P. L. 1963,
13 c. 144 (C. 17:12B-1 et seq.).

1 4. Any written designation may be withdrawn by an employee
2 at any time by filing the notice of withdrawal with his respective
3 disbursing officer. The filing of notice of withdrawal shall be effec-
4 tive to halt deposits as of the thirtieth day next succeeding the
5 date on which it is filed.

1 5. Subject to the "Administrative Procedure Act" (P. L. 1968, c.
2 410, C. 52:14B-1 et seq.), the State Treasurer shall adopt all rules
3 and regulations necessary to effectuate this act.

1 6. This act shall take effect January 1 next following enactment.

STATEMENT

The direct deposit of employee checks would save energy by eliminating the need for thousands of employees to drive to the bank every 2 weeks.

Direct deposit is now used by Federal Government for retirement benefits, salary checks and Social Security benefits and in the State of New Jersey for pension checks.

ASSEMBLY COMMITTEE AMENDMENTS TO

ASSEMBLY, No. 3426

STATE OF NEW JERSEY

ADOPTED NOVEMBER 23, 1981

Amend page 1, section 1, line 3, omit "(herein", insert ", hereinafter".

Amend page 1, section 1, line 4, omit ")".

Amend page 1, section 1, line 5, omit "check".

Amend page 1, section 1, line 7, after "or", insert "share"; omit "for the purchase of shares".

Amend page 1, section 2, line 3, after "institution", insert "an electronic fund transfer,".

Amend page 1, section 3, line 2, omit "final", insert "net".

Amend page 1, section 3, line 3, after "employee", insert "in any pay period".

Amend page 1, section 3, line 6, after "means a", omit in entirety.

Amend pages 1-2, section 3, lines 7-13, omit in entirety, insert "State or federally chartered bank, savings bank, savings and loan association, or credit union.".

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3426

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 23, 1981.

This legislation provides for the direct deposit of paychecks of State employees in any banking institution which the employees designate. The definition of "banking institution" includes savings banks, savings and loan associations, and credit unions. The legislation also provides that in the case of an institution which would receive multiple deposits of checks of State employees, the deposit could be made by computer tape or a check drawn in favor of the bank. The Assembly Banking and Insurance Committee has amended the bill to permit such transfers to be made electronically.

This legislation would provide direct deposit for State employees in the same manner as is presently being used by the Federal Government and other large employers. The Assembly Banking and Insurance Committee has made additional minor technical amendments to the bill.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

JANUARY 4, 1982

KATHRYN FORSYTH

Governor Brendan Byrne today signed the following bills:

A-3426, sponsored by Assemblywoman Barbara Kalik (D-Burlington), permits all state employees to direct the State Treasury Department to desposit their bi-weekly paychecks directly in a designated banking institution. Direct deposit is now used by the Federal Government for retirement, salary and Social Security checks and by the State for pension checks. The bill provides that for institutions anticipating multiple deposits of State employee's checks, the deposits could be made electronically, by computer, or by one check for the total amount of the salary deposits.

S-1061, sponsored by Senator Donald DiFrancesco (R-Union), permits municipalities to provide tenure to "municipal superintendents of public works" after five consecutive years. This bill would primarily affect smaller municipalities that have not adopted Civil Service.

S-1511, sponsored by Senator John Gregorio (D-Union), clarifies that "deadly weapons" used in the commission of certain crimes will include such items as toy guns and other objects which can be reasonably mistaken as a "deadly weapon". The bill would, in effect, increase the severity of a criminal act committed with toy guns, or such items, under the new Penal Code.