

FLOOR AMENDMENT STATEMENT:

No

LEGISLATIVE FISCAL ESTIMATE:

Yes 11/10/2016
2/21/2017

VETO MESSAGE:

No

GOVERNOR'S PRESS RELEASE ON SIGNING:

Yes

FOLLOWING WERE PRINTED:

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REPORTS:

No

HEARINGS:

No

NEWSPAPER ARTICLES:

Yes

"Sick leave pay for corrections officers signed into law by Christie," The Trentonian, July 3, 2017

RWH/JA

P.L.2017, CHAPTER 93, *approved July 3, 2017*
Senate, No. 596 (*Third Reprint*)

1 AN ACT concerning ¹**[certain]**¹ injured law enforcement officers
2 ¹**and certain other employees**¹ and supplementing Title 34 of the
3 Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Any State corrections officer, juvenile corrections officer, or
9 juvenile detention officer who, in the course of performing the
10 officer's official duties, suffers ³serious³ bodily injury as the
11 ³direct³ result of ³**[a riot or] an**³ assault by the inmates or detainees
12 under the officer's custody or charge shall continue to receive full
13 wages ³for up to six months or³ until the officer begins receiving
14 compensation for that injury under R.S.34:15-1 et seq.³, whichever
15 comes first.³

16 In addition to the compensation received under R.S.34:15-1 et
17 seq., the injured officer shall receive regular supplemental payments
18 from the officer's employer in an amount that is sufficient, when
19 added to the compensation received under R.S.34:15-1 et seq., to
20 equal the net wage of the injured officer at the time of the injury.
21 The supplemental ¹**[payment] payments**¹ authorized under this
22 section shall continue ³for up to six months³ so long as the injured
23 officer remains a State corrections officer, juvenile corrections
24 officer, or juvenile detention officer and continues to be
25 compensated under R.S.34:15-1 et seq.

26 The fringe benefits afforded an injured officer under the terms of
27 a collective bargaining agreement, contract, or statute shall not be
28 negated ¹**[nor] or**¹ impaired in any way and shall remain in full
29 force and effect during the time that officer is receiving
30 ¹**[supplement] supplemental**¹ payments pursuant to this section.

31
32 2. Any parole officer who, while in the course of performing
33 ¹**[his] the officer's**¹ official duties, suffers ³serious³ bodily injury
34 as the ³direct³ result of an assault by an adult or juvenile parolee

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted September 26, 2016.

²Assembly AAP committee amendments adopted January 30, 2017.

³Senate amendments adopted in accordance with Governor's recommendations May 25, 2017.

1 under the officer's supervision shall continue to receive full wages
 2 ³for up to six months or³ until the parole officer begins receiving
 3 compensation for that injury under R.S.34:15-1 et seq.³, whichever
 4 comes first.³

5 In addition to the compensation received under R.S.34:15-1 et
 6 seq., the injured officer shall receive regular supplemental payments
 7 from the officer's employer in an amount that is sufficient, when
 8 added to the compensation received under R.S.34:15-1 et seq., to
 9 equal the net wage of the injured officer at the time of the injury.
 10 The supplemental ¹~~payment~~ payments¹ authorized under this
 11 section shall continue ³for up to six months³ so long as the injured
 12 officer remains a parole officer and continues to be compensated
 13 under R.S.34:15-1 et seq.

14 The fringe benefits afforded an injured officer under the terms of
 15 a collective bargaining agreement, contract, or statute shall not be
 16 negated ¹~~nor~~ or¹ impaired in any way and shall remain in full
 17 force and effect during the time that officer is receiving
 18 ¹~~supplement~~ supplemental¹ payments pursuant to this section.

19
 20 3. Any State Human Services police officer, State conservation
 21 officer, ²~~or~~² State park police officer ², Palisades Interstate Park
 22 officer appointed pursuant to R.S.32:14-21, or full-time campus
 23 police officer appointed by a county college or four-year public
 24 institution of higher education pursuant to P.L.1970, c.211
 25 (C.18A:6-4.2 et seq.)² who, while in the course of performing the
 26 officer's official duties, suffers ³serious³ bodily injury as the
 27 ³direct³ result of an assault during the arrest or transportation of a
 28 suspect or other person in the officer's custody shall continue to
 29 receive full wages ³for up to six months or³ until the officer begins
 30 receiving compensation for that injury under R.S.34:15-1 et seq.³,
 31 whichever comes first.³

32 ²Any senior, recruit, or assistant supervising medical security
 33 officer working under the authority of the Department of Human
 34 Services who, in the course of performing the officer's official
 35 duties, suffers ³serious³ bodily injury as the ³direct³ result of an
 36 assault by a patient or resident who requires medical security shall
 37 continue to receive full wages ³for up to six months or³ until the
 38 officer begins receiving compensation for that injury under
 39 R.S.34:15-1 et seq.^{2 3}, whichever comes first.³

40 In addition to the compensation received under R.S.34:15-1 et
 41 seq., the injured officer shall receive regular supplemental payments
 42 from the officer's employer in an amount that is sufficient, when
 43 added to the compensation received under R.S.34:15-1 et seq., to
 44 equal the net wage of the injured officer at the time of the injury.
 45 The supplemental ¹~~payment~~ payments¹ authorized under this
 46 section shall continue ³for up to six months³ so long as the injured

1 officer remains a State Human Services police officer, State
2 conservation officer, ²~~or~~² State park police officer ², Palisades
3 Interstate Park officer, campus police officer, or medical security
4 officer² and continues to be compensated under R.S.34:15-1 et seq.

5 The fringe benefits afforded an injured officer under the terms of
6 a collective bargaining agreement, contract, or statute shall not be
7 negated ¹~~nor~~ ¹or¹ impaired in any way and shall remain in full
8 force and effect during the time that officer is receiving
9 ¹~~supplement~~ ¹supplemental¹ payments pursuant to this section.

10

11 ¹4. Any civilian employee who directly works with ²or teaches²
12 inmates or detainees in a State correctional facility, juvenile
13 correctional facility, or juvenile detention center who, in the course
14 of performing the employee's official duties, suffers ³serious³
15 bodily injury as the ³direct³ result of ³~~a riot or~~ ³an³ assault by the
16 inmates or detainees with whom the employee works ²or teaches²
17 shall continue to receive full wages ³for up to six months or³ until
18 the employee begins receiving compensation for that injury under
19 R.S.34:15-1 et seq. ³, whichever comes first.³

20 In addition to the compensation received under R.S.34:15-1 et
21 seq., the injured employee shall receive regular supplemental
22 payments from the employer in an amount that is sufficient, when
23 added to the compensation received under R.S.34:15-1 et seq., to
24 equal the net wage of the injured employee at the time of the injury.
25 The supplemental payments authorized under this section shall
26 continue ³for up to six months³ so long as the injured employee
27 remains employed by the State correctional facility, juvenile
28 correctional facility, or juvenile detention center and continues to
29 be compensated under R.S.34:15-1 et seq.

30 The fringe benefits afforded an injured employee under the terms
31 of a collective bargaining agreement, contract, or statute shall not
32 be negated or impaired in any way and shall remain in full force and
33 effect during the time that employee is receiving supplemental
34 payments pursuant to this section.¹

35

36 ¹5. Any probation officer who, while in the course of
37 performing the officer's official duties, suffers ³serious³ bodily
38 injury as the ³direct³ result of an assault by a person placed on
39 probation who is under the officer's supervision shall continue to
40 receive full wages ³for up to six months or³ until the probation
41 officer begins receiving compensation for that injury under
42 R.S.34:15-1 et seq. ³, whichever comes first.³

43 In addition to the compensation received under R.S.34:15-1 et
44 seq., the injured officer shall receive regular supplemental payments
45 from the officer's employer in an amount that is sufficient, when
46 added to the compensation received under R.S.34:15-1 et seq., to

1 equal the net wage of the injured officer at the time of the injury.
2 The supplemental payments authorized under this section shall
3 continue ³for up to six months³ so long as the injured officer
4 remains a probation officer and continues to be compensated under
5 R.S.34:15-1 et seq.

6 The fringe benefits afforded an injured officer under the terms of
7 a collective bargaining agreement, contract, or statute shall not be
8 negated or impaired in any way and shall remain in full force and
9 effect during the time that officer is receiving supplemental
10 payments pursuant to this section.¹

11
12 ³6. As used in P.L. _____, c. _____ (C. _____) (pending before the
13 Legislature as this bill), “serious bodily injury” means bodily injury
14 which creates a substantial risk of death or which causes serious,
15 permanent disfigurement, or protracted loss or impairment of the
16 function of any bodily member or organ.”³

17
18 ¹[4.] ³[6.1] ^{7.}³ This act shall take effect on the first day of the
19 third month following enactment.

20

21

22

23

24 Establishes compensation program for law enforcement officers
25 and certain other employees injured while performing official
26 duties.

SENATE, No. 596

STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

Senator Turner

SYNOPSIS

Establishes compensation program for certain law enforcement officers injured while performing official duties.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/8/2016)

1 AN ACT concerning certain injured law enforcement officers and
2 supplementing Title 34 of the Revised Statutes.

3

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

6

7 1. Any State corrections officer, juvenile corrections officer, or
8 juvenile detention officer who, in the course of performing the
9 officer's official duties, suffers bodily injury as the result of a riot
10 or assault by the inmates or detainees under the officer's custody or
11 charge shall continue to receive full wages until the officer begins
12 receiving compensation for that injury under R.S.34:15-1 et seq.

13 In addition to the compensation received under R.S.34:15-1 et
14 seq., the injured officer shall receive regular supplemental payments
15 from the officer's employer in an amount that is sufficient, when
16 added to the compensation received under R.S.34:15-1 et seq., to
17 equal the net wage of the injured officer at the time of the injury.
18 The supplemental payment authorized under this section shall
19 continue so long as the injured officer remains a State corrections
20 officer, juvenile corrections officer, or juvenile detention officer
21 and continues to be compensated under R.S.34:15-1 et seq.

22 The fringe benefits afforded an injured officer under the terms of
23 a collective bargaining agreement, contract, or statute shall not be
24 negated nor impaired in any way and shall remain in full force and
25 effect during the time that officer is receiving supplement payments
26 pursuant to this section.

27

28 2. Any parole officer who, while in the course of performing
29 his official duties, suffers bodily injury as the result of an assault by
30 an adult or juvenile parolee under the officer's supervision shall
31 continue to receive full wages until the parole officer begins
32 receiving compensation for that injury under R.S.34:15-1 et seq.

33 In addition to the compensation received under R.S.34:15-1 et
34 seq., the injured officer shall receive regular supplemental payments
35 from the officer's employer in an amount that is sufficient, when
36 added to the compensation received under R.S.34:15-1 et seq., to
37 equal the net wage of the injured officer at the time of the injury.
38 The supplemental payment authorized under this section shall
39 continue so long as the injured officer remains a parole officer and
40 continues to be compensated under R.S.34:15-1 et seq.

41 The fringe benefits afforded an injured officer under the terms of
42 a collective bargaining agreement, contract, or statute shall not be
43 negated nor impaired in any way and shall remain in full force and
44 effect during the time that officer is receiving supplement payments
45 pursuant to this section.

46

47 3. Any State Human Services police officer, State conservation
48 officer, or State park police officer who, while in the course of

1 performing the officer's official duties, suffers bodily injury as the
2 result of an assault during the arrest or transportation of a suspect or
3 other person in the officer's custody shall continue to receive full
4 wages until the officer begins receiving compensation for that
5 injury under R.S.34:15-1 et seq.

6 In addition to the compensation received under R.S.34:15-1 et
7 seq., the injured officer shall receive regular supplemental payments
8 from the officer's employer in an amount that is sufficient, when
9 added to the compensation received under R.S.34:15-1 et seq., to
10 equal the net wage of the injured officer at the time of the
11 injury. The supplemental payment authorized under this section
12 shall continue so long as the injured officer remains a State Human
13 Services police officer, State conservation officer, or State park
14 police officer and continues to be compensated under R.S.34:15-1
15 et seq.

16 The fringe benefits afforded an injured officer under the terms of
17 a collective bargaining agreement, contract, or statute shall not be
18 negated nor impaired in any way and shall remain in full force and
19 effect during the time that officer is receiving supplement payments
20 pursuant to this section.

21

22 4. This act shall take effect on the first day of the third month
23 following enactment.

24

25

26

STATEMENT

27

28 This bill establishes a compensation program for State
29 corrections officers, juvenile corrections officers, and juvenile
30 detention officers who suffer bodily injury as the result of a riot or
31 assault by the inmates or detainees under their custody and care.
32 The bill also establishes a compensation program for parole officers
33 who suffer bodily injury as the result of an assault committed by an
34 adult or juvenile parolee under their supervision.

35 Under the provisions of the bill, injured officers would be
36 entitled to their salary until their workmen's compensation
37 payments begin. Once their workmen's compensation payments
38 begin, the injured officers would be entitled to regular supplemental
39 payments from their employer. The amount of these payments
40 would be sufficient, when added to the injured officer's workmen's
41 compensation, to equal his or her net wages at the time of the
42 injury.

43 These supplemental payments are to continue as long as the
44 officer remains a State corrections officer, juvenile corrections
45 officer, juvenile detention officer, or parole officer and continues to
46 receive workmen's compensation for the injury.

47 Finally, the bill specifies that these supplemental payments are
48 not to negate or impair any fringe benefits afforded an injured

S596 CUNNINGHAM, GREENSTEIN

4

1 officer under the terms of a collective bargaining agreement,
2 contract, or statute and that these fringe benefits are to remain in
3 full force and effect during the time that officer is receiving the
4 supplemental payments authorized under the bill.

5 Additionally the bill's provisions apply to State Human Services
6 police officers, State conservation officers, and State park police
7 officers who suffer bodily injury as the result of an assault while
8 engaged in the arrest or transportation of a suspect or person in their
9 custody.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 596

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2017

The Assembly Appropriations Committee reports favorably Senate Bill No. 596 (1R), with committee amendments.

As amended, this bill establishes a compensation program for the following categories of law enforcement officers and certain employees:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care;

(2) parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision;

(3) State Human Services police officers, State conservation officers, State park police officers Palisades Interstate Park officers, and campus police officers appointed by a county college or four-year public institution of higher education who suffer bodily injury as the result of an assault while engaged in the arrest or transportation of a suspect or person in their custody;

(4) civilian employees who directly work with or teach inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers who suffer bodily injury as the result of a riot or assault by the inmates or detainees with whom they work;

(5) probation officers who suffer bodily injury as the result of an assault by a person placed on probation who is under their supervision; and

(6) medical security officers working under the authority of the Department of Human Services who suffer bodily injury as the result of an assault by a patient or resident who requires medical security.

Under the provisions of the amended bill, these injured officers and employees will be entitled to their salary from their employer until their workers' compensation payments begin. Once their workers' compensation payments begin, the injured officers and employees will be entitled to regular supplemental payments from their employer. The amount of these supplemental payments will be sufficient, when

added to the injured officer or employee's workers' compensation payments, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, medical security officer, or civilian employee who works directly with or teaches inmates or detainees and continues to receive workers' compensation for the injury.

Finally, the amended bill specifies that these supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute and that these fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments authorized under the amended bill.

As amended and reported, this bill is identical to Assembly Bill No. 3422 (1R), also amended and reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. The OLS notes, however, that it is unable to determine how many civilian employees and how many full-time campus police officers would be affected under this bill. As such, including the affected employees in these two categories would increase the estimated annual State expenditures of this bill by an indeterminate amount. In general, an actuarial calculation would be required for a more accurate State cost determination.

The OLS also notes that this estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) extend the bill's provisions to Palisades Interstate Park officers, campus police officers appointed by a county college or four-year public institution of higher education, and medical security officers under the supervision of the Department of Human Services who suffer bodily injury as the result of an assault; and
- (2) clarify that civilian employees who teach inmates or detainees are included under the provisions of the bill.

SENATE LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

SENATE, No. 596

STATE OF NEW JERSEY

DATED: MARCH 3, 2016

The Senate Law and Public Safety Committee reports favorably Senate Bill No. 596.

As reported by the committee, this bill establishes a compensation program for the following categories of law enforcement officers:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care;

(2) parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision; and

(3) State Human Services police officers, State conservation officers, and State park police officers who suffer bodily injury as the result of an assault while engaged in the arrest or transportation of a suspect or person in their custody.

Under the provisions of the bill, these injured law enforcement officers would be entitled to their salary until their workmen's compensation payments begin. Once their workmen's compensation payments begin, the injured officers would be entitled to regular supplemental payments from their employer. The amount of these payments would be sufficient, when added to the injured officer's workmen's compensation, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the officer remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, or State park police officer and continues to receive workmen's compensation for the injury.

Finally, the bill specifies that these supplemental payments are not to negate or impair any fringe benefits afforded an injured officer under the terms of a collective bargaining agreement, contract, or statute and that these fringe benefits are to remain in full force and effect during the time that officer is receiving the supplemental payments authorized under the bill.

This bill was pre-filed for introduction in the 2016-2017 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 596

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 26, 2016

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 596, with committee amendments.

As amended, this bill establishes a compensation program for State corrections officers, juvenile corrections officers, juvenile detention officers, State conservation officers, State park police officers, State Human Services police officers, probation officers, and civilian employees who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care. The bill also establishes a compensation program for parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision.

The compensation program is for the following categories of law enforcement officers and certain employees:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care;

(2) Parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision;

(3) State Human Services police officers, State conservation officers, and State park police officers who suffer bodily injury as the result of an assault while engaged in the arrest or transportation of a suspect or person in their custody;

(4) Civilian employees who directly work with inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers who suffer bodily injury as the result of a riot or assault by the inmates or detainees with whom they work; and

(5) Probation officers who suffer bodily injury as the result of an assault by a person placed on probation who is under their supervision.

Under the provisions of the amended bill, these injured law enforcement officers and employees would be entitled to their salary until their workers' compensation payments begin. Once their workers' compensation payments begin, the injured officers and employees would be entitled to regular supplemental payments from their employer. The amount of these payments would be sufficient,

when added to the injured officer or employee's workers' compensation, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, or civilian employee who works directly with inmates or detainees continues to receive workers' compensation for the injury.

Finally, the amended bill specifies that these supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute and that these fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments authorized under the amended bill.

COMMITTEE AMENDMENTS:

The committee amendments:

- (1) extend the bill's provisions to civilian employees who work directly with inmates or detainees, and to probation officers who suffer bodily injury as the result of an assault committed by an inmate, detainee, or person on probation while engaged in official duties; and
- (2) make technical corrections.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that this bill would annually result in indeterminate increase in State costs, based on informal information provided by the Treasury. The OLS adds that the Department of Corrections (DOC), the State Parole Board (SPB), the Juvenile Justice Commission (JJC), the Department of Environmental Protection (DEP) and the Department of Human Services (DHS) would incur indeterminate expenses to provide compensation to corrections officers, parole officers, juvenile corrections officers, State conservation officers, State park police officers and State Human Services police officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care.

Information obtained informally from the Department of the Treasury for the identical bill in the prior legislative session indicates that the fiscal effect of this bill is equivalent to the full restoration of the former sick leave injury program for certain law enforcement officers injured while performing official duties. The sick leave injury program provided for a one year benefit. This bill would provide for a potential indefinite workers' compensation benefit plus supplemental payments to equal the officer's wages at the time of the injury.

To determine the fiscal impact of this bill, an actuarial calculation is required. However, the maximum workers' compensation benefit

for calendar year 2016 totals \$871 per week which is equivalent to \$45,292 per year. Under worker's compensation, an injured employee receives 70 percent of his annual salary. Thus, for an injured officer making up to \$64,703 per year the State would be required to fund 30 percent of that salary, and for an injured officer making wages (including overtime) above \$64,703 per year the State would be required to fund 100 percent of the wages above that amount.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 596

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: NOVEMBER 7, 2016

SUMMARY

- Synopsis:** Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties.
- Type of Impact:** Annual expenditure increase to State General Fund.
- Agencies Affected:** Department of the Treasury, Department of Corrections, State Parole Board, Juvenile Justice Commission, Department of Environmental Protection, Department of Human Services, Judiciary.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	\$450,000 to \$675,000

- The Office of Legislative Services (OLS) estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. An actuarial calculation would be required for a more accurate State cost determination.
- The estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

BILL DESCRIPTION

Senate Bill No. 596 (1R) of 2016 establishes a compensation program for State corrections

officers, juvenile corrections officers, juvenile detention officers, State conservation officers, State park police officers, State Human Services police officers, probation officers, parole officers, and certain civilian employees who suffer bodily injury as the result of a riot or assault by the inmates, detainees, or certain other individuals under their custody, care, or supervision while engaged in official work duties.

Currently, these injured employees receive benefits under the State's workers' compensation law (N.J.S.A.34:15-1 et seq.). Weekly benefits in calendar year 2016 equal the smaller of \$871 or 70 percent of the injured employee's salary. Workers must be out of work for seven days before they can collect benefits.

Under the bill, qualified injured employees would continue to receive their full salary until the start of their workers' compensation payments. Once their workers' compensation payments begin, the qualified injured employees would be entitled to supplemental workers' compensation benefit payments from the State. The amount of the supplemental payments would be sufficient, when added to the injured employee's regular workers' compensation, to equal his or her net wages at the time of injury. The supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, or civilian employee who works directly with inmates or detainees and the person continues to receive workers' compensation for the injury.

Finally, the supplemental workers' compensation benefit payments are not to negate or impair any fringe benefits afforded an injured employee under the terms of a collective bargaining agreement, contract, or statute. These fringe benefits are to remain in full force and effect during the time an employee is receiving the supplemental benefit payments.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill, but the Department of the Treasury, the Department of Corrections, and the Juvenile Justice Commission have provided informal information to the OLS either on this bill or substantively similar bills in prior legislative sessions.

According to informal information received from the **Department of the Treasury** on a substantively similar bill in a prior legislative session, an actuarial calculation is required to determine the bill's fiscal impact. The department noted that the fiscal effect was equivalent to the full restoration of the discontinued sick leave injury program for qualified employees injured while performing official duties. But while the sick leave injury program provided for a one-year benefit, this bill would provide for a potential indefinite workers' compensation benefit plus supplemental payments to equal the injured employee's net wages at the time of injury. In addition, upon request, the department's Division of Risk Management related to the OLS that in FY 2015 the average temporary disability case lasted 14 weeks and that Department of Corrections employees accounted for 110 approved workers' compensation claims.

In its fiscal note for a substantively similar bill in a prior legislative session, the **Department of Corrections** stated that 124 corrections officers used 4,959 workers' compensation days in FY 2013 as a result of direct inmate contact injuries. In addition, data informally obtained from the department indicate that, as of August 2016, the department employed 5,655 custody staff at an average annual salary of \$77,640.

Information obtained informally from the **Juvenile Justice Commission** indicates that 15 juvenile corrections officers were currently (FY 2017) on sick leave due to injury on the job. The average salary of a juvenile corrections officer is approximately \$71,500.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. The department accounted for the majority of FY 2015 workers' compensation claims that the OLS estimates would have been eligible for supplemental workers' compensation benefit payments had the payments been law in FY 2015. An actuarial calculation would be required for a more accurate State cost determination.

The estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work – the average duration of a temporary disability case was 14 weeks in FY 2015. But the collection of an employee's full net salary may reduce the employee's incentive to end his or her disability status and to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will be tax-exempt under State and federal law. The OLS cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

Number of Potentially Affected Employees: Under the bill, approximately 13,000 State employees within the Department of Corrections, Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services – as well as probation officers working in the Judicial Branch may qualify for supplemental workers' compensation wage replacement benefits if they are injured as the result of a riot or assault by the inmates, detainees, or certain other individuals under the employees' custody, care, or supervision while performing official duties. In addition, an indeterminate number of civilian employees would be affected under this bill.

According to the State Government Workforce Profile 2015 published by the Civil Service Commission, approximately 13,094 State employees were potentially eligible for the supplemental benefits under the circumstances outlined in the bill in January 2015. Specifically, the State employed 10,318 protective services workers in the Executive Branch as of January 9, 2015 – of which 8,784 are assumed to have been full-time employees in the Department of Corrections and the State Parole Board. The remaining 1,534 workers likely represented protective services employees within the Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services. In addition, the State Judiciary employed 2,776 probation officers in January 2015, according to the Probation Association of New Jersey.

Department of Corrections Impact: The Division of Risk Management in the Department of the Treasury has provided the OLS with some data that allow the OLS to estimate the potential cost of the bill with regard to Department of Corrections employees. In all, the OLS estimates that had the bill been law in 2015, there would have been 110 workers' compensation claims due to workplace assault filed within the Department of Corrections that would have cost the State between approximately \$300,000 and \$450,000 in supplemental workers' compensation wage replacement benefits in 2015, depending on the tax filing status of the claimants.

The rate for weekly temporary disability benefits is 70 percent of the worker's average weekly wage, not to exceed 75 percent of the Statewide Average Weekly Wage. In 2015, the

year for which the most up-to-date information is available in regard to the Department of Corrections, the maximum weekly rate was \$855, which is equivalent to \$44,460 per year.

According to the State Government Workforce Profile 2015, the average Department of Corrections salary was \$79,246, as of January 9, 2015. An employee earning this average salary would have received worker's compensation wage replacement benefits at the 2015 maximum weekly rate of \$855.

According to calculations provided by paycheckcity.com, the above employee, assuming the employee used a single federal and State filing status, earned a net weekly salary of \$1,046 in 2015. For reference, an employee earning the same salary and using a married federal and State filing status, earned a net weekly salary of \$1,149.

If the employee using a single filing status had been injured as the result of a riot or assault in FY 2015, the bill would have required the State to fund \$191 per week in supplemental workers' compensation wage replacement benefits in order to ensure that the employee received the employee's net wages at the time of the injury. This payment would have continued as long as the employee remained employed and received regular workers' compensation.

According to the Division of Risk Management, the average duration of a temporary disability case in FY 2015 was 14 weeks. Assuming this average, the State would have had to pay this employee a total of \$2,670 in supplemental workers' compensation wage replacement benefits in FY 2015.

Division of Risk Management data indicate further that Department of Corrections employees filed 110 approved workers' compensation claims in FY 2015 due to workplace injuries resulting from workplace assault. Assuming that all of these claims involved assaults by inmates, rather than coworkers; that all of the claimants would have received a total supplemental workers' compensation wage replacement benefit of \$2,670 as calculated above; and that all claimants were single tax return filers, the State would have been responsible for approximately \$293,700 of supplemental workers' compensation wage replacement benefits in FY 2015 for claims filed from the Department of Corrections. Replicating these calculations assuming that all the claimants used a married federal and State filing status and earned a net weekly salary of \$1,149, results in a total State cost of \$451,900.

Statewide Impact: The above analysis concluded that the enactment of the bill's supplemental workers' compensation benefit payments would have affected 110 workers' compensation claims by Department of Corrections employees in FY 2015 and cost the State between approximately \$300,000 and \$450,000. The department accounts for approximately 67 percent, or 8,785, of the employees who may potentially qualify for the bill's supplemental benefits. Increasing the end points of the estimated range by 50 percent to account for the cost of supplemental benefits for the estimated 54 benefit claimants among the 4,310 employees outside of the Department of Corrections results in a total annual State expenditure of between approximately \$450,000 and \$675,000.

Section *Commerce, Labor and Industry*

Analyst *Sarah M. Schmidt*
Assistant Research Analyst

Section: *Judiciary*

Analyst: *Anne Raughley*
Principal Fiscal Analyst

Approved: *Frank W. Haines III*
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 596

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: FEBRUARY 21, 2017

SUMMARY

- Synopsis:** Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties.
- Type of Impact:** Annual expenditure increases to State General Fund and counties.
- Agencies Affected:** Department of the Treasury, Department of Corrections, State Parole Board, Juvenile Justice Commission, Department of Environmental Protection, Department of Human Services, Judiciary, Palisades Interstate Park Commission, Public Institutions of Higher Education, County Colleges.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	\$450,000 to \$675,000
County Cost Increase	Indeterminate – See comments below.

- The Office of Legislative Services (OLS) estimates that this bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging approximately from \$2,674 to \$4,116. This estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. An actuarial calculation would be required for a more accurate State cost determination.
- This estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.
- The OLS is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected under this bill.

Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

BILL DESCRIPTION

Senate Bill No. 596 (2R) of 2016 establishes a compensation program for the following categories of law enforcement officers and certain employees who suffer bodily injury as the result of a riot or assault by the inmates, detainees, or certain other individuals under their custody, care, or supervision while engaged in official work duties:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers;

(2) parole officers;

(3) State Human Services police officers, State conservation officers, State park police officers, Palisades Interstate Park officers, and campus police officers appointed by a county college or four-year public institution of higher education;

(4) civilian employees who directly work with or teach inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers;

(5) probation officers; and

(6) medical security officers working under the authority of the Department of Human Services.

Currently, these injured officers and employees receive benefits under the State's workers' compensation law (N.J.S.A.34:15-1 et seq.). Weekly benefits in calendar year 2016 equaled the smaller of \$871 or 70 percent of the injured employee's salary. Workers must be out of work for seven days before they can collect benefits.

Under the bill, the injured officers and employees will be entitled to their full salary from their employer until the start of their workers' compensation payments. Once their workers' compensation payments begin, the injured officers and employees will be entitled to regular supplemental payments from their employer. The amount of the supplemental payments will be sufficient, when added to the injured officer's or employee's workers' compensation payments, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, medical security officer, or civilian employee who works directly with or teaches inmates or detainees and continues to receive workers' compensation for the injury.

Finally, the supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute. These fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill, but the Department of the Treasury, the Department of Corrections, and the Juvenile Justice Commission have

provided informal information to the OLS either on this bill or substantively similar bills in prior legislative sessions.

According to informal information received from the **Department of the Treasury** on a substantively similar bill in a prior legislative session, an actuarial calculation is required to determine the bill's fiscal impact. The department noted that the fiscal effect was equivalent to the full restoration of the discontinued sick leave injury program for qualified employees injured while performing official duties. But while the sick leave injury program provided for a one-year benefit, this bill would provide for a potential indefinite workers' compensation benefit plus supplemental payments to equal the injured employee's net wages at the time of injury. In addition, upon request, the department's Division of Risk Management related to the OLS that in FY 2015 the average temporary disability case lasted 14 weeks and that Department of Corrections employees accounted for 110 approved workers' compensation claims due to workplace injuries resulting from assault.

In its fiscal note for a substantively similar bill in a prior legislative session, the **Department of Corrections** stated that 124 corrections officers used 4,959 workers' compensation days in FY 2013 as a result of direct inmate contact injuries. In addition, data informally obtained from the department indicate that, as of August 2016, the department employed 5,655 custody staff at an average annual salary of \$77,640.

Information obtained informally from the **Juvenile Justice Commission** indicates that 15 juvenile corrections officers were currently (FY 2017) on sick leave due to injury on the job. The average salary of a juvenile corrections officer is approximately \$71,500.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging approximately from \$2,674 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. In general, an actuarial calculation would be required for a more accurate State cost determination.

This estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return to work dates. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

The OLS also notes that it is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected under this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Number of Potentially Affected Employees: Under the bill, approximately 13,000 State employees within the Department of Corrections, Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services, as well as probation officers working in the Judicial Branch, may qualify for supplemental workers' compensation wage replacement benefits if they are injured as the result of a riot or assault by the inmates, detainees, or certain other individuals under the employees' custody, care, or

supervision while performing official duties. In addition, an indeterminate number of civilian employees and campus police officers may be affected.

According to the State Government Workforce Profile 2015 published by the Civil Service Commission, approximately 13,094 State employees were potentially eligible for the supplemental benefits under the circumstances outlined in the bill in January 2015. Specifically, the State employed 10,318 protective services workers in the Executive Branch as of January 9, 2015 – of which 8,784 are assumed to have been full-time employees in the Department of Corrections and the State Parole Board. The remaining 1,534 workers likely represented protective services employees within the Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services. In addition, the State Judiciary employed 2,776 probation officers in January 2015, according to the Probation Association of New Jersey.

Department of Corrections Impact: The Division of Risk Management in the Department of the Treasury has provided the OLS with some data that allow the OLS to estimate the potential cost of the bill with regard to Department of Corrections employees. In all, the OLS estimates that had the bill been law in 2015, there would have been 110 workers' compensation claims due to workplace assault filed within the Department of Corrections that would have cost the State between approximately \$300,000 and \$450,000 in supplemental workers' compensation wage replacement benefits in 2015, depending on the tax filing status of the claimants.

The rate for weekly temporary disability benefits is 70 percent of the worker's average weekly wage, not to exceed 75 percent of the Statewide Average Weekly Wage. In 2015, the year for which the most up-to-date information is available in regard to the Department of Corrections, the maximum weekly rate was \$855, which is equivalent to \$44,460 per year.

According to the State Government Workforce Profile 2015, the average Department of Corrections salary was \$79,246, as of January 9, 2015. An employee earning this average salary would have received worker's compensation wage replacement benefits at the 2015 maximum weekly rate of \$855.

According to calculations provided by paycheckcity.com, the above employee, assuming the employee used a single federal and State filing status, earned a net weekly salary of \$1,046 in 2015. For reference, an employee earning the same salary and using a married federal and State filing status, earned a net weekly salary of \$1,149.

If the employee using a single filing status had been injured as the result of a riot or assault in FY 2015, the bill would have required the State to fund \$191 per week in supplemental workers' compensation wage replacement benefits in order to ensure that the employee received the employee's net wages at the time of the injury. This payment would have continued as long as the employee remained employed and received regular workers' compensation.

According to the Division of Risk Management, the average duration of a temporary disability case in FY 2015 was 14 weeks. Assuming this average, the State would have had to pay this employee a total of \$2,674 in supplemental workers' compensation wage replacement benefits in FY 2015.

Division of Risk Management data indicate further that Department of Corrections employees filed 110 approved workers' compensation claims in FY 2015 due to workplace injuries resulting from workplace assault. Assuming that all of these claims involved assaults by inmates, rather than coworkers; that all of the claimants would have received a total supplemental workers' compensation wage replacement benefit of \$2,674 as calculated above; and that all claimants were single tax return filers, the State would have been responsible for approximately \$294,000 of supplemental workers' compensation wage replacement benefits in FY 2015 for claims filed from the Department of Corrections. Replicating these calculations

assuming that all the claimants used a married federal and State filing status and earned a net weekly salary of \$1,149, results in a total State cost of approximately \$452,000.

Statewide Impact: The above analysis concluded that the enactment of the bill's supplemental workers' compensation benefit payments would have affected 110 workers' compensation claims by Department of Corrections employees in FY 2015 and cost the State between approximately \$300,000 and \$450,000. The department accounts for approximately 67 percent, or 8,785, of the employees who may potentially qualify for the bill's supplemental benefits. Increasing the end points of the estimated range by 50 percent to account for the cost of supplemental benefits for the estimated 54 benefit claimants among the 4,310 employees outside of the Department of Corrections results in a total annual State expenditure of between approximately \$450,000 and \$675,000.

The OLS notes, however, that it is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected by this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Section Commerce, Labor and Industry

*Analyst Sarah M. Schmidt
Associate Research Analyst*

Section: Judiciary

*Analyst: Anne Raughley
Principal Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 596

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: JUNE 22, 2017

SUMMARY

- Synopsis:** Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties.
- Type of Impact:** Annual expenditure increases to State General Fund and counties.
- Agencies Affected:** Department of the Treasury, Department of Corrections, State Parole Board, Juvenile Justice Commission, Department of Environmental Protection, Department of Human Services, Judiciary, Palisades Interstate Park Commission, Public Institutions of Higher Education, County Colleges.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	\$450,000 to \$675,000
County Cost Increase	Indeterminate – See comments below.

- The Office of Legislative Services (OLS) estimates that this bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging approximately from \$2,674 to \$4,116. This estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees, and is based upon a 14-week duration of supplemental workers' compensation benefits, the average duration of workers' compensation benefits in FY 2015. An actuarial calculation would be required for a more accurate State cost determination.
- This estimate is subject to three caveats. First, the OLS assumes that all of the applicable injuries identified in the Department of Corrections data: a) were the direct result of an assault by an inmate or detainee under the injured employee's custody while engaged in official work duties; and b) resulted in a serious bodily injury as defined under the bill. Second, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return to work dates. The collection of an employee's full net salary for up to six months as provided in the bill, however, may reduce the employee's incentive to

return to work as soon as feasible. Third, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

- The OLS is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected by this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

BILL DESCRIPTION

Senate Bill No. 596 (3R) of 2016 establishes a compensation program for the following categories of law enforcement officers and certain employees who suffer serious bodily injury as the direct result of an assault by the inmates, detainees, or certain other individuals under their custody, care, or supervision while engaged in official work duties:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers;

(2) parole officers;

(3) State Human Services police officers, State conservation officers, State park police officers, Palisades Interstate Park officers, and campus police officers appointed by a county college or four-year public institution of higher education;

(4) civilian employees who work directly with or teach inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers;

(5) probation officers; and

(6) medical security officers working under the authority of the Department of Human Services.

“Serious bodily injury” means bodily injury which creates a substantial risk of death or which causes serious, permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

Currently, these injured officers and employees receive benefits under the State’s workers’ compensation law (N.J.S.A.34:15-1 et seq.). Weekly benefits in calendar year 2016 equaled the smaller of \$871 or 70 percent of the injured employee’s salary. Workers must be out of work for seven days before they can collect benefits.

Under the bill, the injured officers and employees will be entitled to their full salary from their employer for up to six months or until the start of their workers’ compensation payments, whichever comes first. Once their workers’ compensation payments begin, the injured officers and employees will be entitled to regular supplemental payments from their employer for up to six months as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, Palisades Interstate Park officer, campus police officer appointed by a county college or four-year public institution of higher education, probation officer, medical security officer, or civilian employee who works directly with or teaches inmates or detainees and continues to receive workers’ compensation for the injury. The amount of the supplemental payments will be sufficient, when added to the injured officer’s or employee’s workers’ compensation payments, to equal his or her net wages at the time of the injury.

Finally, the supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute. These fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill, but the Department of the Treasury, the Department of Corrections, and the Juvenile Justice Commission have provided informal information to the OLS.

The **Department of the Treasury's** Division of Risk Management related to the OLS that in FY 2015 the average workers' compensation case lasted 14 weeks and that Department of Corrections employees accounted for 110 approved workers' compensation claims due to workplace injuries resulting from assault.

In its fiscal note for a substantively similar bill in a prior legislative session, the **Department of Corrections** stated that 124 corrections officers used 4,959 workers' compensation days in FY 2013 as a result of direct inmate contact injuries. In addition, data informally obtained from the department indicate that, as of August 2016, the department employed 5,655 custody staff at an average annual salary of \$77,640.

Information obtained in informally from the **Juvenile Justice Commission** in November 2016 indicated that 15 juvenile corrections officers were currently on sick leave due to injury on the job. The average salary of a juvenile corrections officer is approximately \$71,500.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that this bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging from approximately \$2,674 to \$4,116. This estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees, and is based upon a 14-week duration of supplemental workers' compensation benefits, the average duration of workers' compensation benefits in FY 2015 according to the Division of Risk Management. An actuarial calculation would be required for a more accurate State cost determination.

This estimate is subject to three caveats. First, the OLS assumes that all of the applicable injuries identified in the Department of Corrections data: a) were the direct result of an assault by an inmate or detainee under the injured employee's custody while engaged in official work duties; and b) resulted in a serious bodily injury as defined under the bill. Second, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return to work dates. The collection of an employee's full net salary for up to six months as provided in the bill, however, may reduce the employee's incentive to return to work as soon as feasible. Third, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

The OLS is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected under this bill.

Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Number of Potentially Affected Employees: Under the bill, approximately 13,000 State employees within the Department of Corrections, Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services, as well as probation officers working in the Judicial Branch, may qualify for supplemental workers' compensation wage replacement benefits if they are seriously injured as the direct result of an assault by the inmates, detainees, or certain other individuals under the employees' custody, care, or supervision while performing official duties. In addition, an indeterminate number of civilian employees and campus police officers may be affected.

According to the State Government Workforce Profile 2015 published by the Civil Service Commission, approximately 13,094 State employees were potentially eligible for the supplemental benefits under the circumstances outlined in the bill in January 2015. Specifically, the State employed 10,318 protective services workers in the Executive Branch as of January 9, 2015 – of which 8,784 are assumed to have been full-time employees in the Department of Corrections and the State Parole Board. The remaining 1,534 workers likely represented protective services employees within the Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services. In addition, the State Judiciary employed 2,776 probation officers in January 2015, according to the Probation Association of New Jersey.

Department of Corrections Impact: The Division of Risk Management in the Department of the Treasury has provided the OLS with some data that allow the OLS to estimate the potential cost of the bill with regard to Department of Corrections employees. In all, the OLS estimates that had the bill been law in 2015, there would have been 110 workers' compensation claims due to workplace assault filed within the Department of Corrections that would have cost the State between approximately \$300,000 and \$450,000 in supplemental workers' compensation wage replacement benefits in 2015, depending on the tax filing status of the claimants. The OLS notes that this estimate is based upon the assumption that all of the injuries were the direct result of an assault and resulted in a serious injury.

The rate for weekly workers' compensation benefits is 70 percent of the worker's average weekly wage, not to exceed 75 percent of the Statewide Average Weekly Wage. In 2015, the year for which the most up-to-date information is available in regard to the Department of Corrections, the maximum weekly rate was \$855, which is equivalent to \$44,460 per year.

According to the State Government Workforce Profile 2015, the average Department of Corrections salary was \$79,246, as of January 9, 2015. An employee earning this average salary would have received worker's compensation wage replacement benefits at the 2015 maximum weekly rate of \$855.

According to calculations provided by paycheckcity.com, the above employee, assuming the employee used a single federal and State filing status, earned a net weekly salary of \$1,046 in 2015. For reference, an employee earning the same salary and using a married federal and State filing status, earned a net weekly salary of \$1,149.

If the employee using a single filing status had been seriously injured as the result of an assault by an inmate or detainee in FY 2015, the bill would have required the State to fund \$191 per week in supplemental workers' compensation wage replacement benefits in order to ensure that the employee received the employee's net wages at the time of the injury. This payment

would have continued for up to six months as long as the employee remained employed and received regular workers' compensation.

According to the Division of Risk Management, the average duration of a workers' compensation case in FY 2015 was 14 weeks, which fits within the maximum duration of six months provided under the bill for supplemental worker's compensation wage replacement benefits. Assuming this average, the State would have had to pay this employee a total of \$2,674 in supplemental workers' compensation wage replacement benefits in FY 2015. Given the severity of the injuries that eligible employees must sustain to qualify for supplemental workers' compensation wage replacement benefits, however, the OLS surmises that the average employee qualifying for benefits under the bill may conceivably do so for more than the 14-week average for all workers' compensation cases.

Division of Risk Management data indicate further that Department of Corrections employees filed 110 approved workers' compensation claims in FY 2015 due to workplace injuries resulting from workplace assault. Assuming that: 1) all of these claims involved serious injuries that were the direct result of an assault by an inmate, rather than coworker; 2) all of the claimants would have received a total supplemental workers' compensation wage replacement benefit of \$2,674 as calculated above; and 3) all claimants were single tax return filers, the State would have been responsible for approximately \$294,000 of supplemental workers' compensation wage replacement benefits in FY 2015 for claims filed from the Department of Corrections. Replicating these calculations assuming that all the claimants used a married federal and State filing status and earned a net weekly salary of \$1,149, results in a total State cost of approximately \$452,000.

Statewide Impact: The above analysis concludes that the enactment of the bill's supplemental workers' compensation benefit payments would have affected 110 workers' compensation claims by Department of Corrections employees in FY 2015 and cost the State between approximately \$300,000 and \$450,000. The department accounts for approximately 67 percent, or 8,785, of the employees who may potentially qualify for the bill's supplemental benefits. Increasing the end points of the estimated range by 50 percent to account for the cost of supplemental benefits for the estimated 54 benefit claimants among the 4,310 employees outside of the Department of Corrections results in a total annual State expenditure of between approximately \$450,000 and \$675,000.

The OLS notes, however, that it is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected by this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Section: Commerce, Labor and Industry

Analyst: Sarah M. Schmidt
Associate Research Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 3422

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED MARCH 7, 2016

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblyman JAMEL C. HOLLEY

District 20 (Union)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman SHEILA Y. OLIVER

District 34 (Essex and Passaic)

Co-Sponsored by:

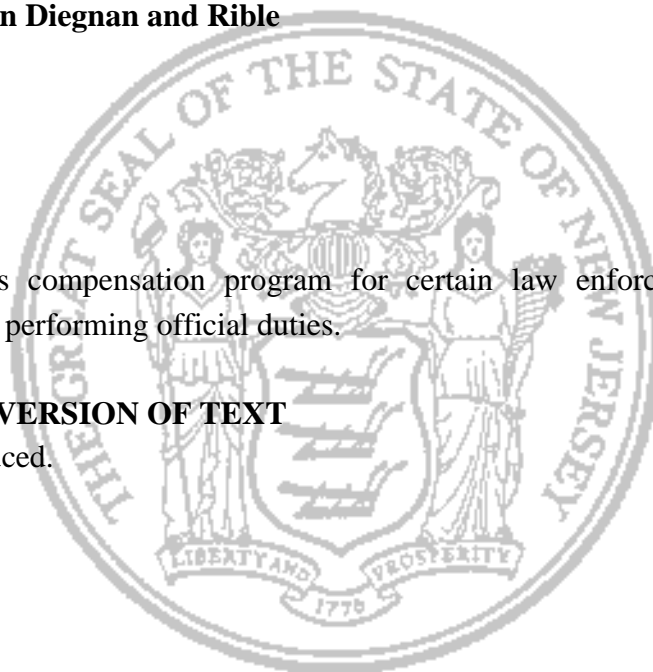
Assemblymen Diegnan and Rible

SYNOPSIS

Establishes compensation program for certain law enforcement officers injured while performing official duties.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 4/5/2016)

1 AN ACT concerning certain injured law enforcement officers and
2 supplementing Title 34 of the Revised Statutes.

3

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

6

7 1. Any State corrections officer, juvenile corrections officer, or
8 juvenile detention officer who, in the course of performing the
9 officer's official duties, suffers bodily injury as the result of a riot
10 or assault by the inmates or detainees under the officer's custody or
11 charge shall continue to receive full wages until the officer begins
12 receiving compensation for that injury under R.S.34:15-1 et seq.

13 In addition to the compensation received under R.S.34:15-1 et
14 seq., the injured officer shall receive regular supplemental payments
15 from the officer's employer in an amount that is sufficient, when
16 added to the compensation received under R.S.34:15-1 et seq., to
17 equal the net wage of the injured officer at the time of the injury.
18 The supplemental payment authorized under this section shall
19 continue so long as the injured officer remains a State corrections
20 officer, juvenile corrections officer, or juvenile detention officer
21 and continues to be compensated under R.S.34:15-1 et seq.

22 The fringe benefits afforded an injured officer under the terms of
23 a collective bargaining agreement, contract, or statute shall not be
24 negated nor impaired in any way and shall remain in full force and
25 effect during the time that officer is receiving supplement payments
26 pursuant to this section.

27

28 2. Any parole officer who, while in the course of performing
29 his official duties, suffers bodily injury as the result of an assault by
30 an adult or juvenile parolee under the officer's supervision shall
31 continue to receive full wages until the parole officer begins
32 receiving compensation for that injury under R.S.34:15-1 et seq.

33 In addition to the compensation received under R.S.34:15-1 et
34 seq., the injured officer shall receive regular supplemental payments
35 from the officer's employer in an amount that is sufficient, when
36 added to the compensation received under R.S.34:15-1 et seq., to
37 equal the net wage of the injured officer at the time of the injury.
38 The supplemental payment authorized under this section shall
39 continue so long as the injured officer remains a parole officer and
40 continues to be compensated under R.S.34:15-1 et seq.

41 The fringe benefits afforded an injured officer under the terms of
42 a collective bargaining agreement, contract, or statute shall not be
43 negated nor impaired in any way and shall remain in full force and
44 effect during the time that officer is receiving supplement payments
45 pursuant to this section.

46

47 3. Any State Human Services police officer, State conservation
48 officer, or State park police officer who, while in the course of

1 performing the officer's official duties, suffers bodily injury as the
2 result of an assault during the arrest or transportation of a suspect or
3 other person in the officer's custody shall continue to receive full
4 wages until the officer begins receiving compensation for that
5 injury under R.S.34:15-1 et seq.

6 In addition to the compensation received under R.S.34:15-1 et
7 seq., the injured officer shall receive regular supplemental payments
8 from the officer's employer in an amount that is sufficient, when
9 added to the compensation received under R.S.34:15-1 et seq., to
10 equal the net wage of the injured officer at the time of the
11 injury. The supplemental payment authorized under this section
12 shall continue so long as the injured officer remains a State Human
13 Services police officer, State conservation officer, or State park
14 police officer and continues to be compensated under R.S.34:15-1
15 et seq.

16 The fringe benefits afforded an injured officer under the terms of
17 a collective bargaining agreement, contract, or statute shall not be
18 negated nor impaired in any way and shall remain in full force and
19 effect during the time that officer is receiving supplement payments
20 pursuant to this section.

21

22 4. This act shall take effect on the first day of the third month
23 following enactment.

24

25

26

STATEMENT

27

28 This bill establishes a compensation program for the following
29 categories of law enforcement officers:

30 (1) State corrections officers, juvenile corrections officers, and
31 juvenile detention officers who suffer bodily injury as the result of a
32 riot or assault by the inmates or detainees under their custody and
33 care;

34 (2) parole officers who suffer bodily injury as the result of an
35 assault committed by an adult or juvenile parolee under their
36 supervision; and

37 (3) State Human Services police officers, State conservation
38 officers, and State park police officers who suffer bodily injury as
39 the result of an assault while engaged in the arrest or transportation
40 of a suspect or person in their custody.

41 Under the provisions of the bill, these injured law enforcement
42 officers would be entitled to their salary until their workmen's
43 compensation payments begin. Once their workmen's
44 compensation payments begin, the injured officers would be
45 entitled to regular supplemental payments from their employer. The
46 amount of these payments would be sufficient, when added to the
47 injured officer's workmen's compensation, to equal his or her net
48 wages at the time of the injury.

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1 These supplemental payments are to continue as long as the
2 officer remains a State corrections officer, juvenile corrections
3 officer, juvenile detention officer, parole officer, State Human
4 Services police officer, State conservation officer, or State park
5 police officer and continues to receive workmen's compensation for
6 the injury.

7 Finally, the bill specifies that these supplemental payments are
8 not to negate or impair any fringe benefits afforded an injured
9 officer under the terms of a collective bargaining agreement,
10 contract, or statute and that these fringe benefits are to remain in
11 full force and effect during the time that officer is receiving the
12 supplemental payments authorized under the bill.

ASSEMBLY LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3422

with committee amendments

STATE OF NEW JERSEY

DATED: APRIL 4, 2016

The Assembly Law and Public Safety Committee reports favorably and with committee amendments Assembly Bill No. 3422.

As amended and reported by the committee, Assembly Bill No. 3422 establishes a compensation program for the following categories of law enforcement officers and certain employees:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care;

(2) parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision;

(3) State Human Services police officers, State conservation officers, and State park police officers who suffer bodily injury as the result of an assault while engaged in the arrest or transportation of a suspect or person in their custody;

(4) civilian employees who directly work with inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers who suffer bodily injury as the result of a riot or assault by the inmates or detainees with whom they work; and

(5) probation officers who suffer bodily injury as the result of an assault by a person placed on probation who is under their supervision.

Under the provisions of the amended bill, these injured law enforcement officers and employees would be entitled to their salary until their workers' compensation payments begin. Once their workers' compensation payments begin, the injured officers and employees would be entitled to regular supplemental payments from their employer. The amount of these payments would be sufficient, when added to the injured officer or employee's workers' compensation, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, or civilian employee who works directly with inmates or detainees continues to receive workers' compensation for the injury.

Finally, the amended bill specifies that these supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute and that these fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments authorized under the amended bill.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- (1) extend the bill's provisions to civilian employees who work directly with inmates or detainees, and to probation officers who suffer bodily injury as the result of an assault committed by an inmate, detainee, or person on probation while engaged in official duties; and
- (2) make technical corrections.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3422

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2017

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3422 (1R), with committee amendments.

As amended, this bill establishes a compensation program for the following categories of law enforcement officers and certain employees:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers who suffer bodily injury as the result of a riot or assault by the inmates or detainees under their custody and care;

(2) parole officers who suffer bodily injury as the result of an assault committed by an adult or juvenile parolee under their supervision;

(3) State Human Services police officers, State conservation officers, State park police officers Palisades Interstate Park officers, and campus police officers appointed by a county college or four-year public institution of higher education who suffer bodily injury as the result of an assault while engaged in the arrest or transportation of a suspect or person in their custody;

(4) civilian employees who directly work with or teach inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers who suffer bodily injury as the result of a riot or assault by the inmates or detainees with whom they work;

(5) probation officers who suffer bodily injury as the result of an assault by a person placed on probation who is under their supervision; and

(6) medical security officers working under the authority of the Department of Human Services who suffer bodily injury as the result of an assault by a patient or resident who requires medical security.

Under the provisions of the amended bill, these injured officers and employees will be entitled to their salary from their employer until their workers' compensation payments begin. Once their workers' compensation payments begin, the injured officers and employees will be entitled to regular supplemental payments from their employer. The amount of these supplemental payments will be sufficient, when

added to the injured officer or employee's workers' compensation payments, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, medical security officer, or civilian employee who works directly with or teaches inmates or detainees and continues to receive workers' compensation for the injury.

Finally, the amended bill specifies that these supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute and that these fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments authorized under the amended bill.

As amended and reported, this bill is identical to Senate Bill No. 596 (1R), also amended and reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. The OLS notes, however, that it is unable to determine how many civilian employees and how many full-time campus police officers would be affected under this bill. As such, including the affected employees in these two categories would increase the estimated annual State expenditures of this bill by an indeterminate amount. In general, an actuarial calculation would be required for a more accurate State cost determination.

The OLS also notes that this estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) extend the bill's provisions to Palisades Interstate Park officers, campus police officers appointed by a county college or four-

year public institution of higher education, and medical security officers under the supervision of the Department of Human Services who suffer bodily injury as the result of an assault; and

- (2) clarify that civilian employees who teach inmates or detainees are included under the provisions of the bill.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3422

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: NOVEMBER 10, 2016

SUMMARY

- Synopsis:** Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties.
- Type of Impact:** Annual expenditure increase to State General Fund.
- Agencies Affected:** Department of the Treasury, Department of Corrections, State Parole Board, Juvenile Justice Commission, Department of Environmental Protection, Department of Human Services, Judiciary.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	\$450,000 to \$675,000

- The Office of Legislative Services (OLS) estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. An actuarial calculation would be required for a more accurate State cost determination.
- The estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

BILL DESCRIPTION

Assembly Bill No. 3422 (1R) of 2016 establishes a compensation program for State corrections officers, juvenile corrections officers, juvenile detention officers, State conservation

officers, State park police officers, State Human Services police officers, probation officers, parole officers, and certain civilian employees who suffer bodily injury as the result of a riot or assault by the inmates, detainees, or certain other individuals under their custody, care, or supervision while engaged in official work duties.

Currently, these injured employees receive benefits under the State's workers' compensation law (N.J.S.A.34:15-1 et seq.). Weekly benefits in calendar year 2016 equal the smaller of \$871 or 70 percent of the injured employee's salary. Workers must be out of work for seven days before they can collect benefits.

Under the bill, qualified injured employees would continue to receive their full salary until the start of their workers' compensation payments. Once their workers' compensation payments begin, the qualified injured employees would be entitled to supplemental workers' compensation benefit payments from the State. The amount of the supplemental payments would be sufficient, when added to the injured employee's regular workers' compensation, to equal his or her net wages at the time of injury. The supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, or civilian employee who works directly with inmates or detainees and the person continues to receive workers' compensation for the injury.

Finally, the supplemental workers' compensation benefit payments are not to negate or impair any fringe benefits afforded an injured employee under the terms of a collective bargaining agreement, contract, or statute. These fringe benefits are to remain in full force and effect during the time an employee is receiving the supplemental benefit payments.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill, but the Department of the Treasury, the Department of Corrections, and the Juvenile Justice Commission have provided informal information to the OLS either on this bill or substantively similar bills in prior legislative sessions.

According to informal information received from the **Department of the Treasury** on a substantively similar bill in a prior legislative session, an actuarial calculation is required to determine the bill's fiscal impact. The department noted that the fiscal effect was equivalent to the full restoration of the discontinued sick leave injury program for qualified employees injured while performing official duties. But while the sick leave injury program provided for a one-year benefit, this bill would provide for a potential indefinite workers' compensation benefit plus supplemental payments to equal the injured employee's net wages at the time of injury. In addition, upon request, the department's Division of Risk Management related to the OLS that in FY 2015 the average temporary disability case lasted 14 weeks and that Department of Corrections employees accounted for 110 approved workers' compensation claims.

In its fiscal note for a substantively similar bill in a prior legislative session, the **Department of Corrections** stated that 124 corrections officers used 4,959 workers' compensation days in FY 2013 as a result of direct inmate contact injuries. In addition, data informally obtained from the department indicate that, as of August 2016, the department employed 5,655 custody staff at an average annual salary of \$77,640.

Information obtained informally from the **Juvenile Justice Commission** indicates that 15 juvenile corrections officers were currently (FY 2017) on sick leave due to injury on the job. The average salary of a juvenile corrections officer is approximately \$71,500.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation benefit ranging approximately from \$2,744 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. The department accounted for the majority of FY 2015 workers' compensation claims that the OLS estimates would have been eligible for supplemental workers' compensation benefit payments had the payments been law in FY 2015. An actuarial calculation would be required for a more accurate State cost determination.

The estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work – the average duration of a temporary disability case was 14 weeks in FY 2015. But the collection of an employee's full net salary may reduce the employee's incentive to end his or her disability status and to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will be tax-exempt under State and federal law. The OLS cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

Number of Potentially Affected Employees: Under the bill, approximately 13,000 State employees within the Department of Corrections, Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services – as well as probation officers working in the Judicial Branch may qualify for supplemental workers' compensation wage replacement benefits if they are injured as the result of a riot or assault by the inmates, detainees, or certain other individuals under the employees' custody, care, or supervision while performing official duties. In addition, an indeterminate number of civilian employees would be affected under this bill.

According to the State Government Workforce Profile 2015 published by the Civil Service Commission, approximately 13,094 State employees were potentially eligible for the supplemental benefits under the circumstances outlined in the bill in January 2015. Specifically, the State employed 10,318 protective services workers in the Executive Branch as of January 9, 2015 – of which 8,784 are assumed to have been full-time employees in the Department of Corrections and the State Parole Board. The remaining 1,534 workers likely represented protective services employees within the Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services. In addition, the State Judiciary employed 2,776 probation officers in January 2015, according to the Probation Association of New Jersey.

Department of Corrections Impact: The Division of Risk Management in the Department of the Treasury has provided the OLS with some data that allow the OLS to estimate the potential cost of the bill with regard to Department of Corrections employees. In all, the OLS estimates that had the bill been law in 2015, there would have been 110 workers' compensation claims due to workplace assault filed within the Department of Corrections that would have cost the State between approximately \$300,000 and \$450,000 in supplemental workers' compensation wage replacement benefits in 2015, depending on the tax filing status of the claimants.

The rate for weekly temporary disability benefits is 70 percent of the worker's average weekly wage, not to exceed 75 percent of the Statewide Average Weekly Wage. In 2015, the

year for which the most up-to-date information is available in regard to the Department of Corrections, the maximum weekly rate was \$855, which is equivalent to \$44,460 per year.

According to the State Government Workforce Profile 2015, the average Department of Corrections salary was \$79,246, as of January 9, 2015. An employee earning this average salary would have received worker's compensation wage replacement benefits at the 2015 maximum weekly rate of \$855.

According to calculations provided by paycheckcity.com, the above employee, assuming the employee used a single federal and State filing status, earned a net weekly salary of \$1,046 in 2015. For reference, an employee earning the same salary and using a married federal and State filing status, earned a net weekly salary of \$1,149.

If the employee using a single filing status had been injured as the result of a riot or assault in FY 2015, the bill would have required the State to fund \$191 per week in supplemental workers' compensation wage replacement benefits in order to ensure that the employee received the employee's net wages at the time of the injury. This payment would have continued as long as the employee remained employed and received regular workers' compensation.

According to the Division of Risk Management, the average duration of a temporary disability case in FY 2015 was 14 weeks. Assuming this average, the State would have had to pay this employee a total of \$2,670 in supplemental workers' compensation wage replacement benefits in FY 2015.

Division of Risk Management data indicate further that Department of Corrections employees filed 110 approved workers' compensation claims in FY 2015 due to workplace injuries resulting from workplace assault. Assuming that all of these claims involved assaults by inmates, rather than coworkers; that all of the claimants would have received a total supplemental workers' compensation wage replacement benefit of \$2,670 as calculated above; and that all claimants were single tax return filers, the State would have been responsible for approximately \$293,700 of supplemental workers' compensation wage replacement benefits in FY 2015 for claims filed from the Department of Corrections. Replicating these calculations assuming that all the claimants used a married federal and State filing status and earned a net weekly salary of \$1,149, results in a total State cost of \$451,900.

Statewide Impact: The above analysis concluded that the enactment of the bill's supplemental workers' compensation benefit payments would have affected 110 workers' compensation claims by Department of Corrections employees in FY 2015 and cost the State between approximately \$300,000 and \$450,000. The department accounts for approximately 67 percent, or 8,785, of the employees who may potentially qualify for the bill's supplemental benefits. Increasing the end points of the estimated range by 50 percent to account for the cost of supplemental benefits for the estimated 54 benefit claimants among the 4,310 employees outside of the Department of Corrections results in a total annual State expenditure of between approximately \$450,000 and \$675,000.

Section *Commerce, Labor and Industry*

Analyst *Sarah M. Schmidt*
Assistant Research Analyst

Section: *Judiciary*

Analyst: *Anne Raughley*
Principal Fiscal Analyst

Approved: *Frank W. Haines III*
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 3422

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: FEBRUARY 21, 2017

SUMMARY

- Synopsis:** Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties.
- Type of Impact:** Annual expenditure increases to State General Fund and counties.
- Agencies Affected:** Department of the Treasury, Department of Corrections, State Parole Board, Juvenile Justice Commission, Department of Environmental Protection, Department of Human Services, Judiciary, Palisades Interstate Park Commission, Public Institutions of Higher Education, County Colleges.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	\$450,000 to \$675,000
County Cost Increase	Indeterminate – See comments below.

- The Office of Legislative Services (OLS) estimates that this bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging approximately from \$2,674 to \$4,116. This estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. An actuarial calculation would be required for a more accurate State cost determination.
- This estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return dates to work. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.
- The OLS is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected under this bill.

Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

BILL DESCRIPTION

Assembly Bill No. 3422 (2R) of 2016 establishes a compensation program for the following categories of law enforcement officers and certain employees who suffer bodily injury as the result of a riot or assault by the inmates, detainees, or certain other individuals under their custody, care, or supervision while engaged in official work duties:

(1) State corrections officers, juvenile corrections officers, and juvenile detention officers;

(2) parole officers;

(3) State Human Services police officers, State conservation officers, State park police officers, Palisades Interstate Park officers, and campus police officers appointed by a county college or four-year public institution of higher education;

(4) civilian employees who directly work with or teach inmates or detainees in State correctional facilities, juvenile correctional facilities, or juvenile detention centers;

(5) probation officers; and

(6) medical security officers working under the authority of the Department of Human Services.

Currently, these injured officers and employees receive benefits under the State's workers' compensation law (N.J.S.A.34:15-1 et seq.). Weekly benefits in calendar year 2016 equaled the smaller of \$871 or 70 percent of the injured employee's salary. Workers must be out of work for seven days before they can collect benefits.

Under the bill, the injured officers and employees will be entitled to their full salary from their employer until the start of their workers' compensation payments. Once their workers' compensation payments begin, the injured officers and employees will be entitled to regular supplemental payments from their employer. The amount of the supplemental payments will be sufficient, when added to the injured officer's or employee's workers' compensation payments, to equal his or her net wages at the time of the injury.

These supplemental payments are to continue as long as the person remains a State corrections officer, juvenile corrections officer, juvenile detention officer, parole officer, State Human Services police officer, State conservation officer, State park police officer, probation officer, medical security officer, or civilian employee who works directly with or teaches inmates or detainees and continues to receive workers' compensation for the injury.

Finally, the supplemental payments are not to negate or impair any fringe benefits afforded an injured officer or employee under the terms of a collective bargaining agreement, contract, or statute. These fringe benefits are to remain in full force and effect during the time that officer or employee is receiving the supplemental payments.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive has not submitted a formal, written fiscal note for this bill, but the Department of the Treasury, the Department of Corrections, and the Juvenile Justice Commission have

provided informal information to the OLS either on this bill or substantively similar bills in prior legislative sessions.

According to informal information received from the **Department of the Treasury** on a substantively similar bill in a prior legislative session, an actuarial calculation is required to determine the bill's fiscal impact. The department noted that the fiscal effect was equivalent to the full restoration of the discontinued sick leave injury program for qualified employees injured while performing official duties. But while the sick leave injury program provided for a one-year benefit, this bill would provide for a potential indefinite workers' compensation benefit plus supplemental payments to equal the injured employee's net wages at the time of injury. In addition, upon request, the department's Division of Risk Management related to the OLS that in FY 2015 the average temporary disability case lasted 14 weeks and that Department of Corrections employees accounted for 110 approved workers' compensation claims due to workplace injuries resulting from assault.

In its fiscal note for a substantively similar bill in a prior legislative session, the **Department of Corrections** stated that 124 corrections officers used 4,959 workers' compensation days in FY 2013 as a result of direct inmate contact injuries. In addition, data informally obtained from the department indicate that, as of August 2016, the department employed 5,655 custody staff at an average annual salary of \$77,640.

Information obtained informally from the **Juvenile Justice Commission** indicates that 15 juvenile corrections officers were currently (FY 2017) on sick leave due to injury on the job. The average salary of a juvenile corrections officer is approximately \$71,500.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would increase annual State expenditures by approximately \$450,000 to \$675,000 and that about 164 State employees per year would receive an additional average workers' compensation total benefit ranging approximately from \$2,674 to \$4,116. The estimate represents an extrapolation from calendar year and fiscal year 2015 data on Department of Corrections employees. In general, an actuarial calculation would be required for a more accurate State cost determination.

This estimate is subject to two caveats. First, the OLS assumes that the receipt of supplemental workers' compensation benefits will not alter employee return to work dates. The collection of an employee's full net salary, however, may reduce the employee's incentive to return to work as soon as feasible. Second, the OLS assumes that the supplemental benefit payments will receive tax-exempt status under State and federal law. The cost estimate would be higher if State and federal law treated supplemental payments as taxable gross income.

The OLS also notes that it is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected under this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Number of Potentially Affected Employees: Under the bill, approximately 13,000 State employees within the Department of Corrections, Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services, as well as probation officers working in the Judicial Branch, may qualify for supplemental workers' compensation wage replacement benefits if they are injured as the result of a riot or assault by the inmates, detainees, or certain other individuals under the employees' custody, care, or

supervision while performing official duties. In addition, an indeterminate number of civilian employees and campus police officers may be affected.

According to the State Government Workforce Profile 2015 published by the Civil Service Commission, approximately 13,094 State employees were potentially eligible for the supplemental benefits under the circumstances outlined in the bill in January 2015. Specifically, the State employed 10,318 protective services workers in the Executive Branch as of January 9, 2015 – of which 8,784 are assumed to have been full-time employees in the Department of Corrections and the State Parole Board. The remaining 1,534 workers likely represented protective services employees within the Department of Law and Public Safety, Department of Environmental Protection, and Department of Human Services. In addition, the State Judiciary employed 2,776 probation officers in January 2015, according to the Probation Association of New Jersey.

Department of Corrections Impact: The Division of Risk Management in the Department of the Treasury has provided the OLS with some data that allow the OLS to estimate the potential cost of the bill with regard to Department of Corrections employees. In all, the OLS estimates that had the bill been law in 2015, there would have been 110 workers' compensation claims due to workplace assault filed within the Department of Corrections that would have cost the State between approximately \$300,000 and \$450,000 in supplemental workers' compensation wage replacement benefits in 2015, depending on the tax filing status of the claimants.

The rate for weekly temporary disability benefits is 70 percent of the worker's average weekly wage, not to exceed 75 percent of the Statewide Average Weekly Wage. In 2015, the year for which the most up-to-date information is available in regard to the Department of Corrections, the maximum weekly rate was \$855, which is equivalent to \$44,460 per year.

According to the State Government Workforce Profile 2015, the average Department of Corrections salary was \$79,246, as of January 9, 2015. An employee earning this average salary would have received worker's compensation wage replacement benefits at the 2015 maximum weekly rate of \$855.

According to calculations provided by paycheckcity.com, the above employee, assuming the employee used a single federal and State filing status, earned a net weekly salary of \$1,046 in 2015. For reference, an employee earning the same salary and using a married federal and State filing status, earned a net weekly salary of \$1,149.

If the employee using a single filing status had been injured as the result of a riot or assault in FY 2015, the bill would have required the State to fund \$191 per week in supplemental workers' compensation wage replacement benefits in order to ensure that the employee received the employee's net wages at the time of the injury. This payment would have continued as long as the employee remained employed and received regular workers' compensation.

According to the Division of Risk Management, the average duration of a temporary disability case in FY 2015 was 14 weeks. Assuming this average, the State would have had to pay this employee a total of \$2,674 in supplemental workers' compensation wage replacement benefits in FY 2015.

Division of Risk Management data indicate further that Department of Corrections employees filed 110 approved workers' compensation claims in FY 2015 due to workplace injuries resulting from workplace assault. Assuming that all of these claims involved assaults by inmates, rather than coworkers; that all of the claimants would have received a total supplemental workers' compensation wage replacement benefit of \$2,674 as calculated above; and that all claimants were single tax return filers, the State would have been responsible for approximately \$294,000 of supplemental workers' compensation wage replacement benefits in FY 2015 for claims filed from the Department of Corrections. Replicating these calculations

assuming that all the claimants used a married federal and State filing status and earned a net weekly salary of \$1,149, results in a total State cost of approximately \$452,000.

Statewide Impact: The above analysis concluded that the enactment of the bill's supplemental workers' compensation benefit payments would have affected 110 workers' compensation claims by Department of Corrections employees in FY 2015 and cost the State between approximately \$300,000 and \$450,000. The department accounts for approximately 67 percent, or 8,785, of the employees who may potentially qualify for the bill's supplemental benefits. Increasing the end points of the estimated range by 50 percent to account for the cost of supplemental benefits for the estimated 54 benefit claimants among the 4,310 employees outside of the Department of Corrections results in a total annual State expenditure of between approximately \$450,000 and \$675,000.

The OLS notes, however, that it is unable to determine how many civilian employees and campus police officers at county colleges and public institutions of higher education may be affected by this bill. Including these potentially affected employees in the analysis may increase the estimated annual State expenditures of this bill by an indeterminate amount and may result in an indeterminate annual county expenditure increase.

Section Commerce, Labor and Industry

*Analyst Sarah M. Schmidt
Associate Research Analyst*

Section: Judiciary

*Analyst: Anne Raughley
Principal Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE BILL NO. 596
(Second Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 596 (Second Reprint) with my recommendations for reconsideration.

New Jersey's law enforcement officers consistently demonstrate remarkable courage and commitment by protecting the lives and property of the citizens of our State. Law enforcement officers regularly place their own personal safety at risk in order to keep our State safe from crime and violence, and, in the course of their duties, many law enforcement officers have been seriously injured. This is especially true of State corrections officers who are assaulted by inmates in State correctional facilities.

This bill establishes a compensation program for law enforcement officers and certain civilians working in correctional facilities that would supplement the benefits an injured worker receives from workers' compensation.

Assuring that law enforcement officers are appropriately compensated when they have been seriously injured in the line of duty is an important policy concern. However, this concern must be balanced against other considerations, including fiscal responsibility. One of my first actions as Governor was to eliminate the sick leave injury ("SLI") benefit program that entitled public employees who were injured at work to receive supplemental payments above their already-collectible workers' compensation benefits, enabling the workers to receive the benefit of full wages while on leave. Based on a 2006 Legislative Taskforce recommendation, I signed P.L. 2010, c. 3 which eliminated the SLI program, resulting in significant savings to the State and a substantial reduction in the number of workers' compensation claims filed. I cannot sign a bill that would reinstate such a program without reasonable restrictions on the cost to the State.

Therefore, I am recommending changes that strike an appropriate balance between fiscal responsibility and providing for those who have been seriously injured while helping to ensure the public remains safe.

Accordingly, I herewith return Senate Bill No. 596 (Second Reprint) and recommend that it be amended as follows:

<u>Page 2, Section 1, Line 10:</u>	After "suffers" insert "serious"
<u>Page 2, Section 1, Line 10:</u>	After "the" insert "direct"
<u>Page 2, Section 1, Line 10:</u>	Delete "a riot"
<u>Page 2, Section 1, Line 11:</u>	Delete "or" and insert "an"
<u>Page 2, Section 1, Line 12:</u>	After "wages" insert "for up to six months or"
<u>Page 2, Section 1, Line 13:</u>	After "seq." insert ", whichever comes first."
<u>Page 2, Section 1, Line 20:</u>	After "continue" insert "for up to six months"
<u>Page 2, Section 2, Line 31:</u>	After "suffers" insert "serious"
<u>Page 2, Section 2, Line 32:</u>	Before "result" insert "direct"
<u>Page 2, Section 2, Line 33:</u>	After "wages" insert "for up to six months or"
<u>Page 2, Section 2, Line 35:</u>	After "seq." insert ", whichever comes first."
<u>Page 2, Section 2, Line 42:</u>	After "continue" insert "for up to six months"
<u>Page 3, Section 3, Line 13:</u>	After "suffers" insert "serious"
<u>Page 3, Section 3, Line 13:</u>	After "the" insert "direct"
<u>Page 3, Section 3, Line 15:</u>	After "wages" insert "for up to six months or"
<u>Page 3, Section 3, Line 17:</u>	After "seq." insert ", whichever comes first."
<u>Page 3, Section 3, Line 21:</u>	After "suffers" insert "serious"
<u>Page 3, Section 3, Line 21:</u>	After "the" insert "direct"
<u>Page 3, Section 3, Line 23:</u>	After "wages" insert "for up to six months or"
<u>Page 3, Section 3, Line 24:</u>	After "seq." insert ", whichever comes first."
<u>Page 3, Section 3, Line 31:</u>	After "continue" insert "for up to six months"

<u>Page 3, Section 4, Line 45:</u>	After "suffers" insert "serious"
<u>Page 3, Section 4, Line 46:</u>	Before "result" insert "direct"
<u>Page 3, Section 4, Line 46:</u>	Delete "a riot or" and insert "an"
<u>Page 4, Section 4, Line 1:</u>	After "wages" insert "for up to six months or"
<u>Page 4, Section 4, Line 2:</u>	After "seq." insert ", whichever comes first."
<u>Page 4, Section 4, Line 9:</u>	After "continue" insert "for up to six months"
<u>Page 4, Section 5, Line 20:</u>	After "suffers" insert "serious"
<u>Page 4, Section 5, Line 21:</u>	Before "result" insert "direct"
<u>Page 4, Section 5, Line 22:</u>	After "wages" insert "for up to six months or"
<u>Page 4, Section 5, Line 24:</u>	After "seq." insert ", whichever comes first."
<u>Page 4, Section 5, Line 31:</u>	After "continue" insert "for up to six months"
<u>Page 4, Line 38:</u>	Insert "6. As used in P.L. c. , (C.) (pending before the legislature as this bill): "Serious bodily injury" means bodily injury which creates a substantial risk of death or which causes serious, permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ."
<u>Page 4, Section 6, Line 39:</u>	Delete "6." and insert "7."

[seal]

Respectfully,
/s/ Chris Christie
Governor

Attest:
/s/ Gregory L. Acquaviva
Chief Counsel to the Governor

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Governor Christie Takes Action On Pending Legislation

Monday, July 3, 2017

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Trenton, NJ - Governor Chris Christie today announced that he has taken action on the following pending legislation:

BILL SIGNINGS:

S-596wGR/A-3422 (Cunningham, Greenstein, Sweeney, Benson/Mukherji, Muoio, Holley, Sumter, Downey, Lampitt, Oliver, Danielsens, Wimberly) - Establishes compensation program for law enforcement officers and certain other employees injured while performing official duties

S-2844wGR/A-4425 (Vitale, Codey/Vainieri Huttle, Muoio, Eustace, Space, Benson) - Eliminates certificate of need requirement for inpatient hospital beds for treatment of psychiatric and substance use disorder dual diagnosis

A-1869wGR/S-668 (Wimberly, Vainieri Huttle, Oliver, Tucker, Quijano, Johnson/Rice, Cruz-Perez) - Establishes Chief Diversity Officer to monitor participation by minority-owned and women-owned businesses in State contracting

###

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