43:21-47

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF:	2002	CHAPTER:	7		
NJSA:	43:21-47 (Withdraws \$50 million from State Disability Fund)				
BILL NO:	S17 (Substituted for A2006)				
SPONSOR(S)	: Codey and ot	hers			
DATE INTRO	DUCED: Febr	uary 11, 2002			
COMMITTEE	ASSE	MBLY:			
	SENAT	E: Budget a	and Appropriations; Labor		
AMENDED D	URING PASSAG	SE: Yes			
DATE OF PA	SSAGE:	ASSEMBLY:	March 14, 2002		
	:	SENATE: N	/arch 7, 2002		
DATE OF AP	PROVAL:	March 18, 200	2		
FOLLOWING	ARE ATTACHE	D IF AVAILABL	E:		
FINAL		(1st reprint enac luring passage d	ted) enoted by superscript numl	pers)	
S17					
			gins on page 5 of original b		
	COMMITTEE S	TATEMENT:	ASSEMBL	Y: No	
			SENATE:	Yes <u>2-25-2002 (Labor)</u> <u>2-28-2002 (Budget)</u>	
	FLOOR AMEN	DMENT STATE	MENTS:	No	
	LEGISLATIVE	FISCAL ESTIMA	<u>TE</u> :	Yes	
A2006 <u>SPONSORS STATEMENT</u> : (Begins on page 5 of original bill) <u>Yes</u> Bill and Sponsors Statement identical to S17					
	COMMITTEE S	TATEMENT:	ASSEMBL	<u>Y</u> : <u>Yes</u>	
			SENATE:	No	
	FLOOR AMEN	DMENT STATE	MENTS:	No	
	LEGISLATIVE	FISCAL ESTIMA	<u>ATE</u> :	Yes	
VETO MESSAGE: No			No		
GOVERNOR'S PRESS RELEASE ON SIGNING: Yes					

FOLLOWING WERE PRINTED:

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REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

P.L. 2002, CHAPTER 7, approved March 18, 2002 Senate, No. 17 (First Reprint)

1 AN ACT authorizing the withdrawal of \$50 million from the State 2 disability benefits fund, authorizing certain other expenditures from 3 the fund, and amending P.L.1948, c.110. 4 5 **BE IT ENACTED** by the Senate and General Assembly of the State 6 of New Jersey: 7 8 1. Section 23 of P.L.1948, c.110 (C.43:21-47) is amended to read 9 as follows: 10 23. Withdrawal from Federal Treasury. (a) The State Treasurer is hereby authorized and directed to requisition and withdraw on or 11 before December 31, 1948, the sum of \$50,000,000.00 from the 12 amount of worker contributions heretofore accumulated in the State 13 14 unemployment compensation fund and deposited in and credited to the 15 account of this State in the unemployment trust fund of the United States of America, established and maintained pursuant to section 904 16 of the Social Security Act, as amended (42 U.S.C. 1104), and to 17 deposit such sums in the State disability benefits fund, established 18 under the "Temporary Disability Benefits Law." The State Treasurer 19 20 is further authorized and empowered to make such requisitions or 21 withdrawals in accordance with such regulations relating thereto as 22 may be prescribed by the United States Secretary of the Treasury. No 23 portion of the amount requisitioned or withdrawn from the Federal 24 Treasury shall be expended for the purpose of administering the "Temporary Disability Benefits Law." 25 26 (b) The State Treasurer is hereby authorized and directed to 27 requisition and withdraw within 90 days of this enactment, an 28 additional sum of \$50,000,000.00 from the amount of worker contributions heretofore accumulated in the State unemployment 29 30 compensation fund and deposited in and credited to the account of this State in the unemployment trust fund of the United States of America, 31 32 established and maintained pursuant to section 904 of the Social 33 Security Act, as amended (42 U.S.C.1104), and to deposit such sums 34 in the State disability benefits fund, established under the "Temporary Disability Benefits Law." The State Treasurer is further authorized and 35 empowered to make such requisitions or withdrawals in accordance 36 37 with such regulations relating thereto as may be prescribed by the 38 United States Secretary of the Treasury. If the balance in the State 39 disability benefits fund as of December 31 of any calendar year, 40 increased by the contributions credited thereto on or before, or as of

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:

¹ Senate SLA committee amendments adopted February 25, 2002.

January 31 immediately thereafter is in excess of \$75,000,000.00, the 1 2 excess shall be withdrawn from the State disability benefits fund and 3 deposited to the account of this State in the unemployment trust fund 4 until the entire \$50,000,000.00 requisitioned and withdrawn under this 5 subsection (b) has been returned and deposited to the account of this State in the unemployment trust fund pursuant to the provisions of this 6 7 subsection (b) and subsection (c) hereof. Such repayment to the 8 unemployment trust fund shall be considered in determining 9 contribution rates by employers to the State disability benefits fund 10 under R.S.43:21-7(e). No portion of the amount requisitioned or 11 withdrawn from the Federal Treasury shall be expended for the purpose of administering the "Temporary Disability Benefits Law." 12

13 (c) The State Treasurer shall transfer from the State disability benefits fund to the clearing account of the unemployment 14 15 compensation fund, as established under R.S.43:21-9, the sum of \$25,000,000.00. Such transfer may be made at such times and in such 16 17 installments as the State Treasurer may deem proper, except that the total sum shall have been transferred by no later than April 30, 1971. 18 19 Amounts transferred to the clearing account of the unemployment 20 compensation fund under this subsection shall be clear immediately 21 and shall be deposited with the Secretary of the Treasury of the United 22 States of America in accordance with the provisions of 23 R.S.43:21-9(b).

24 The State Treasurer is hereby authorized and directed to (d) 25 requisition and withdraw on or before December 31, 1985 a minimum of \$50,000,000.00, at the discretion of the Commissioner of Labor, 26 27 from the State disability benefits fund established under section 22 of 28 P.L.1948, c.110 (C.43:21-46) and to deposit such sum in the clearing 29 account of the State unemployment compensation fund established 30 under R.S.43:21-9. The amount transferred under this subsection (d) 31 shall be cleared immediately and shall be deposited with the Secretary 32 of the Treasury of the United States of America, in accordance with 33 the provisions of R.S.43:21-9(b).

34 (e) The State Treasurer is hereby authorized and directed to requisition and withdraw on or after July 1, 1992 an amount not 35 greater than \$25,000,000 from revenues received pursuant to 36 37 paragraph (1) of subsection (e) of R.S.43:21-7, at the discretion of the 38 Commissioner of Labor, from the State disability benefits fund 39 established pursuant to section 22 of P.L.1948, c.110 (C.43:21-46) 40 and to deposit that amount in the New Jersey Workforce Development 41 Partnership Fund created pursuant to section 9 of P.L.1992, c.43 42 (C.34:15D-9).

(f) The State Treasurer, in consultation with the Commissioner of
Labor, is hereby authorized and directed to requisition and withdraw
on or after July 1, 1994 from revenues received pursuant to paragraph
(1) of subsection (e) of R.S.43:21-7, an amount from the State

disability benefits fund not greater than 25% of the balance in that fund
as of June 30, 1994 and to deposit that amount in the clearing account
of the unemployment compensation fund established under
R.S.43:21-9. The amount transferred under this subsection (f) shall be
cleared immediately and shall be deposited with the Secretary of the
Treasury of United States of America, in accordance with the
provisions of R.S.43:21-9(b).

8 (g) To the extent that funds from the General Fund are also 9 deposited into the clearing account subsequent to July 1, 1994 but 10 before October 2, 1994, such amount shall be reimbursed to the 11 from amounts General Fund collected pursuant to 12 R.S.43:21-7(d)(1)(G) and R.S.43:21-7(e) for quarterly periods ending 13 on or after September 30, 1994.

14 (h) The amount transferred from the State disability benefits fund 15 to the clearing account of the unemployment compensation fund under subsection (f) of this section plus any amount reimbursed to the 16 17 General Fund in accordance with subsection (g) shall be repaid to the State disability benefits fund from general State revenues with interest 18 19 at the rate earned by the investments made with moneys remaining in 20 the State disability benefits fund. The repayment period shall not 21 exceed ten years. The amount repaid each year shall be not less than 22 one tenth of the total amount transferred from the State disability 23 benefits fund to the clearing account of the unemployment compensation fund under subsection (f) of this section, plus not less 24 25 than one tenth of the amount reimbursed to the General Fund in 26 accordance with subsection (g), plus accrued interest. The State 27 Treasurer shall, on or before the thirty-first day of January in 1995 and 28 in each subsequent year determine what amount shall be repaid to the 29 State disability benefits fund in the next commencing fiscal year, which 30 amount shall be consistent with the provisions of this subsection (h). 31 The Legislature shall appropriate that amount from the General Fund 32 to the State disability benefits fund. For purposes of determining the 33 balance in the State disability benefits fund as prescribed pursuant to 34 subparagraph (1) of subparagraph (E) of paragraph (3) of subsection 35 (e) of R.S.43:21-7, the amount transferred from the State disability benefits fund to the unemployment compensation fund pursuant to 36 37 subsection (f) of this section and reimbursed to the General Fund 38 pursuant to subsection (g) of this section less repayments or other 39 reductions, plus accrued interest shall be included therein.

(i) The State Treasurer is hereby authorized and directed to
requisition and withdraw on or after July 1, 1996 an amount not
greater than \$250,000,000 from the State disability benefits fund and
to deposit that amount in the General Fund. For purposes of
determining the balance in the State disability benefits fund as
prescribed pursuant to subparagraph (1) of subparagraph (E) of
paragraph (3) of subsection (e) of R.S.43:21-7, the amount transferred

from the State disability benefits fund to the General Fund pursuant to

do not reduce or delay benefits payable pursuant to the "Temporary

(i) To ensure that the provisions of subsection (i) of this section

this subsection (i) shall be included therein.

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5 Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), whenever the amount in the State disability benefits fund is less than 6 7 the amount required to pay the benefits provided under that law and 8 the necessary costs of administering those benefits, the additional 9 amount required to pay the benefits and the administrative costs shall 10 be paid from the General Fund. The amounts paid from the General Fund for benefits and administrative costs pursuant to this subsection 11 12 shall be repaid to the General Fund from the State disability benefits 13 fund at such time as the Treasurer determines that the repayment may 14 be made without reducing or delaying benefits payable pursuant to the 15 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.). The repayment to the General Fund from the State disability 16 17 benefits fund pursuant to this subsection (j) shall not effect an increase in employee or employer contributions under subsection (d) or (e) of 18 19 R.S.43:21-7. (k) The State Treasurer is hereby authorized and directed to 20 requisition and withdraw ¹[on or after], in addition to the 21 22 \$33,000,000 appropriated from the State disability benefits fund pursuant to section 61 of P.L.2001, c.130 for transfer to the General 23 24 Fund, before¹ July 1, 2002 an amount not greater than \$50,000,000 from the State disability benefits fund and to deposit that amount in 25 26 the General Fund. For purposes of determining the balance in the State disability benefits fund as prescribed pursuant to subparagraph 27 28 (1) of subparagraph (E) of paragraph (3) of subsection (e) of 29 R.S.43:21-7, the amount transferred from the State disability benefits fund to the General Fund pursuant to this subsection (k) shall be 30 31 regarded as being included in the State disability benefits fund. 32 (1) The State Treasurer is authorized to utilize funds from the State 33 disability benefits fund to purchase insurance, excess insurance or 34 reinsurance for the fund and to enter into whatever contracts are 35 needed to ensure that the provisions of subsection (k) of this section 36 do not reduce or delay benefits payable pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) 37 38 (cf: P.L.1996, c.47, s.1) 39 40 2. This act shall take effect immediately. 41 42 43 44 45 Withdraws \$50 million from the State disability benefits fund;

46 authorizes certain other expenditures from the fund.

SENATE, No. 17

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED FEBRUARY 11, 2002

Sponsored by: Senator RICHARD J. CODEY District 27 (Essex)

SYNOPSIS

Withdraws \$50 million from the State disability benefits fund; authorizes certain other expenditures from the fund.

CURRENT VERSION OF TEXT

As introduced.



AN ACT authorizing the withdrawal of \$50 million from the State
 disability benefits fund, authorizing certain other expenditures from
 the fund, and amending P.L.1948, c.110.

4 5

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

6 7

8 1. Section 23 of P.L.1948, c.110 (C.43:21-47) is amended to read
9 as follows:

10 23. Withdrawal from Federal Treasury. (a) The State Treasurer is 11 hereby authorized and directed to requisition and withdraw on or before December 31, 1948, the sum of \$50,000,000.00 from the 12 13 amount of worker contributions heretofore accumulated in the State 14 unemployment compensation fund and deposited in and credited to the account of this State in the unemployment trust fund of the United 15 16 States of America, established and maintained pursuant to section 904 17 of the Social Security Act, as amended (42 U.S.C. 1104), and to 18 deposit such sums in the State disability benefits fund, established 19 under the "Temporary Disability Benefits Law." The State Treasurer 20 is further authorized and empowered to make such requisitions or withdrawals in accordance with such regulations relating thereto as 21 may be prescribed by the United States Secretary of the Treasury. No 22 23 portion of the amount requisitioned or withdrawn from the Federal 24 Treasury shall be expended for the purpose of administering the 25 "Temporary Disability Benefits Law."

26 (b) The State Treasurer is hereby authorized and directed to requisition and withdraw within 90 days of this enactment, an 27 additional sum of \$50,000,000.00 from the amount of worker 28 29 contributions heretofore accumulated in the State unemployment 30 compensation fund and deposited in and credited to the account of this 31 State in the unemployment trust fund of the United States of America, 32 established and maintained pursuant to section 904 of the Social 33 Security Act, as amended (42 U.S.C.1104), and to deposit such sums in the State disability benefits fund, established under the "Temporary 34 35 Disability Benefits Law." The State Treasurer is further authorized and 36 empowered to make such requisitions or withdrawals in accordance 37 with such regulations relating thereto as may be prescribed by the United States Secretary of the Treasury. If the balance in the State 38 39 disability benefits fund as of December 31 of any calendar year, 40 increased by the contributions credited thereto on or before, or as of 41 January 31 immediately thereafter is in excess of \$75,000,000.00, the 42 excess shall be withdrawn from the State disability benefits fund and 43 deposited to the account of this State in the unemployment trust fund

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 <u>thus</u> is new matter.

1 until the entire \$50,000,000.00 requisitioned and withdrawn under this 2 subsection (b) has been returned and deposited to the account of this 3 State in the unemployment trust fund pursuant to the provisions of this 4 subsection (b) and subsection (c) hereof. Such repayment to the unemployment trust fund shall be considered in determining 5 6 contribution rates by employers to the State disability benefits fund 7 under R.S.43:21-7(e). No portion of the amount requisitioned or 8 withdrawn from the Federal Treasury shall be expended for the 9 purpose of administering the "Temporary Disability Benefits Law."

10 (c) The State Treasurer shall transfer from the State disability benefits fund to the clearing account of the unemployment 11 12 compensation fund, as established under R.S.43:21-9, the sum of 13 \$25,000,000.00. Such transfer may be made at such times and in such 14 installments as the State Treasurer may deem proper, except that the 15 total sum shall have been transferred by no later than April 30, 1971. Amounts transferred to the clearing account of the unemployment 16 17 compensation fund under this subsection shall be clear immediately 18 and shall be deposited with the Secretary of the Treasury of the United 19 States of America in accordance with the provisions of 20 R.S.43:21-9(b).

21 (d) The State Treasurer is hereby authorized and directed to 22 requisition and withdraw on or before December 31, 1985 a minimum 23 of \$50,000,000.00, at the discretion of the Commissioner of Labor, from the State disability benefits fund established under section 22 of 24 25 P.L.1948, c.110 (C.43:21-46) and to deposit such sum in the clearing 26 account of the State unemployment compensation fund established 27 under R.S.43:21-9. The amount transferred under this subsection (d) 28 shall be cleared immediately and shall be deposited with the Secretary 29 of the Treasury of the United States of America, in accordance with 30 the provisions of R.S.43:21-9(b).

31 (e) The State Treasurer is hereby authorized and directed to 32 requisition and withdraw on or after July 1, 1992 an amount not 33 greater than \$25,000,000 from revenues received pursuant to 34 paragraph (1) of subsection (e) of R.S.43:21-7, at the discretion of the Commissioner of Labor, from the State disability benefits fund 35 36 established pursuant to section 22 of P.L.1948, c.110 (C.43:21-46) 37 and to deposit that amount in the New Jersey Workforce Development 38 Partnership Fund created pursuant to section 9 of P.L.1992, c.43 39 (C.34:15D-9).

(f) The State Treasurer, in consultation with the Commissioner of
Labor, is hereby authorized and directed to requisition and withdraw
on or after July 1, 1994 from revenues received pursuant to paragraph
(1) of subsection (e) of R.S.43:21-7, an amount from the State
disability benefits fund not greater than 25% of the balance in that fund
as of June 30, 1994 and to deposit that amount in the clearing account
of the unemployment compensation fund established under

1 R.S.43:21-9. The amount transferred under this subsection (f) shall be

2 cleared immediately and shall be deposited with the Secretary of the

3 Treasury of United States of America, in accordance with the

4 provisions of R.S.43:21-9(b).

(g) To the extent that funds from the General Fund are also 5 6 deposited into the clearing account subsequent to July 1, 1994 but 7 before October 2, 1994, such amount shall be reimbursed to the 8 General Fund from amounts collected pursuant to 9 R.S.43:21-7(d)(1)(G) and R.S.43:21-7(e) for quarterly periods ending 10 on or after September 30, 1994.

11 (h) The amount transferred from the State disability benefits fund 12 to the clearing account of the unemployment compensation fund under 13 subsection (f) of this section plus any amount reimbursed to the 14 General Fund in accordance with subsection (g) shall be repaid to the 15 State disability benefits fund from general State revenues with interest at the rate earned by the investments made with moneys remaining in 16 17 the State disability benefits fund. The repayment period shall not 18 exceed ten years. The amount repaid each year shall be not less than 19 one tenth of the total amount transferred from the State disability 20 benefits fund to the clearing account of the unemployment 21 compensation fund under subsection (f) of this section, plus not less 22 than one tenth of the amount reimbursed to the General Fund in 23 accordance with subsection (g), plus accrued interest. The State 24 Treasurer shall, on or before the thirty-first day of January in 1995 and 25 in each subsequent year determine what amount shall be repaid to the 26 State disability benefits fund in the next commencing fiscal year, which 27 amount shall be consistent with the provisions of this subsection (h). 28 The Legislature shall appropriate that amount from the General Fund 29 to the State disability benefits fund. For purposes of determining the 30 balance in the State disability benefits fund as prescribed pursuant to 31 subparagraph (1) of subparagraph (E) of paragraph (3) of subsection 32 (e) of R.S.43:21-7, the amount transferred from the State disability 33 benefits fund to the unemployment compensation fund pursuant to 34 subsection (f) of this section and reimbursed to the General Fund pursuant to subsection (g) of this section less repayments or other 35 36 reductions, plus accrued interest shall be included therein.

37 (i) The State Treasurer is hereby authorized and directed to 38 requisition and withdraw on or after July 1, 1996 an amount not 39 greater than \$250,000,000 from the State disability benefits fund and 40 to deposit that amount in the General Fund. For purposes of 41 determining the balance in the State disability benefits fund as 42 prescribed pursuant to subparagraph (1) of subparagraph (E) of 43 paragraph (3) of subsection (e) of R.S.43:21-7, the amount transferred 44 from the State disability benefits fund to the General Fund pursuant to 45 this subsection (i) shall be included therein.

46 (j) To ensure that the provisions of subsection (i) of this section

1 do not reduce or delay benefits payable pursuant to the "Temporary 2 Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), 3 whenever the amount in the State disability benefits fund is less than 4 the amount required to pay the benefits provided under that law and the necessary costs of administering those benefits, the additional 5 6 amount required to pay the benefits and the administrative costs shall 7 be paid from the General Fund. The amounts paid from the General 8 Fund for benefits and administrative costs pursuant to this subsection 9 shall be repaid to the General Fund from the State disability benefits 10 fund at such time as the Treasurer determines that the repayment may 11 be made without reducing or delaying benefits payable pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 12 13 seq.). The repayment to the General Fund from the State disability 14 benefits fund pursuant to this subsection (j) shall not effect an increase 15 in employee or employer contributions under subsection (d) or (e) of R.S.43:21-7. 16 17 (k) The State Treasurer is hereby authorized and directed to 18 requisition and withdraw on or after July 1, 2002 an amount not 19 greater than \$50,000,000 from the State disability benefits fund and to 20 deposit that amount in the General Fund. For purposes of determining 21 the balance in the State disability benefits fund as prescribed pursuant 22 to subparagraph (1) of subparagraph (E) of paragraph (3) of 23 subsection (e) of R.S.43:21-7, the amount transferred from the State 24 disability benefits fund to the General Fund pursuant to this subsection 25 (k) shall be regarded as being included in the State disability benefits 26 fund. 27 (1) The State Treasurer is authorized to utilize funds from the State 28 disability benefits fund to purchase insurance, excess insurance or 29 reinsurance for the fund and to enter into whatever contracts are 30 needed to ensure that the provisions of subsection (k) of this section 31 do not reduce or delay benefits payable pursuant to the "Temporary 32 Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) 33 (cf: P.L.1996, c.47, s.1) 34 35 2. This act shall take effect immediately. 36 37 38 **STATEMENT** 39 40 This bill authorizes and directs the State Treasurer, on or after July 41 1, 2002, to transfer an amount not greater than \$50,000,000 from the 42 State disability benefits fund to the General Fund. The bill provides 43 that the amount transferred will, nonetheless, continue to be regarded 44 as being included in the State disability benefits fund for purposes of 45 determining the balance in the State disability benefits fund. 46 The bill authorizes the State Treasurer to utilize funds from the

- 1 State disability benefits fund to purchase insurance, excess insurance
- 2 or reinsurance for the fund and to enter into contracts as needed to
- 3 prevent the provisions of the bill from reducing or delaying the
- 4 payment of temporary disability benefits from the fund.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 17

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 25, 2002

The Senate Labor Committee reports favorably, and with committee amendments, Senate Bill No. 17.

This bill, as amended by the committee, directs the State Treasurer to transfer up to \$50 million from the State disability benefits fund ("SDBF") to the General Fund; however, the transferred amount will continue to be included in the SDBF for the purpose of determining the balance of the SDBF. The bill also permits the State Treasurer to use funds from the SDBF to purchase insurance, excess insurance or reinsurance for the SDBF and to enter into contracts as needed to prevent the reduction or delay of payments of temporary disability benefits.

The committee amended the bill to limit the amount that may be transferred from the SDBF to the General Fund, in addition to the \$33 million previously appropriated pursuant to section 61 of P.L. 2001, c.130, to \$50 million before July 1, 2002.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint] **SENATE, No. 17**

STATE OF NEW JERSEY

DATED: FEBRUARY 28, 2002

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 17 (1R).

This bill provides for the transfer in FY2002 of up to \$50,000,000 from the State disability benefits fund to the General Fund.

Background. The State disability benefits fund (SBDF), often referred to as the fund for Temporary Disability Insurance (TDI), provides wage replacement benefits for workers who become disabled due to injury or illness occurring outside of employment. The fund also pays TDI program administrative costs, both to disburse State plan TDI benefits and to oversee private plans. The fund is supported by employee and employer payroll tax contributions. The employee contribution is 0.5% of the first \$23,500 of annual earnings. Employer contribution rates range from 0.1% to 1.1% of the first \$23,500 of annual earnings of each employee, depending on the particular employer's experience rating. The fund receives other revenue from special assessments, fines, penalties and investment earnings.

Bill provisions. The bill directs the State Treasurer, before July 1, 2002, to transfer an amount not greater than \$50,000,000 from the SDBF to the General Fund. This transfer would be in addition to the transfer of \$33,000,000 from the benefits fund to the General Fund under the FY2002 Appropriations Act.

The bill provides that the amount transferred will continue to be regarded as being included in the SDBF for purposes of determining the balance in the Fund.

The bill authorizes the State Treasurer to utilize SBDF funds to purchase insurance, excess insurance or reinsurance for the Fund and to enter into contracts as needed to prevent the provisions of the bill from reducing or delaying the payment of TDI benefits from the Fund.

FISCAL IMPACT

(1) The direct fiscal impact of this bill would be to decrease SDBF assets by \$50 million and to increase General Fund revenues by the same amount. The funds transferred would be available to reduce an anticipated deficit in the State's FY2002 budget.

As noted above, the FY2002 Appropriations Act already

authorizes the transfer from the SDBF to the General Fund of \$33 million as general state revenue. The Act also includes language authorizing an additional transfer to the General Fund, over and above the \$33 million, based upon the actual receipt of revenue to the SDBF and after consultation between the State Treasurer and the Commissioner of Labor. Thus, with the enactment of this bill, the total amount transferred in FY2002 from the SDBF to the General Fund for revenue purposes will exceed \$83 million.

Given year-end fund balances for 1999-2001 of \$195.8 million, \$198.6 million and \$229.4 million respectively, it is projected that the SDBF can sustain the additional transfer of \$50 million to the General Fund, in addition to the transfers already authorized in FY2002.

(2) The bill authorizes the State Treasurer to expend fund resources to purchase insurance, excess insurance or reinsurance for the fund, and to contract for measures to prevent the additional \$50 million withdrawal from the fund from reducing or delaying benefit payments. It is not possible to estimate the additional costs to the fund that could result from this additional authorization.

(3) The provision directing that the \$50 million transfer be disregarded for purposes of determining the SDBF balance will have the effect of preventing the transfer from resulting in an increase in the employer TDI contribution rate.

LEGISLATIVE FISCAL ESTIMATE [First Reprint] SENATE, No. 17 STATE OF NEW JERSEY 210th LEGISLATURE

DATED: MARCH 11, 2002

SUMMARY

Synopsis:	Withdraws \$50 million from the State disability benefits fund; authorizes certain other expenditures from the fund.	
Type of Impact:	Transfers \$50 million from the State disability benefits fund to the General Fund.	
Agencies Affected:	Department of Labor	

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
State disability benefits fund	Decrease assets \$50 million	N.A.	N.A.
General Fund	Increase revenues \$50 million	N. A.	N.A.

- I This bill provides a transfer of \$50 million to the General Fund from the State disability benefits fund, which at the end of FY 2001 had a balance of \$229.4 million.
- ! The State disability benefits fund began FY 2001 with a balance of \$198.6 million, received revenues of approximately \$469.9 million and expended \$406 million with an additional \$33 million transferred from the fund for Temporary Disability Insurance expenses.
- ! The bill provides that employer Temporary Disability Insurance taxes will be calculated as if the \$50 million had not been transferred out of the fund.
- ! The bill's provisions also allow the purchase of insurance, or other means, to protect against a potential negative cash balance in the State disability benefits fund.

BILL DESCRIPTION

Senate Bill No. 17 (1R) of 2002 transfers \$50 million from the State disability benefits fund (SDBF) to the General Fund in fiscal year 2002. The bill further provides that this \$50 million transfer will not be considered for purposes of determining the balance in the SDBF. The bill

Office of Legislative Services State House Annex P.O. Box 068 Trenton, New Jersey 08625



Legislative Budget and Finance Office Phone (609) 292-8030 Fax (609) 777-2442 www.njleg.state.nj.us also authorizes the State Treasurer to use balances in the SDBF to purchase insurance, excess insurance or reinsurance for the fund and to enter into contracts as needed to prevent the

reduction or delay of payments of temporary disability benefits from the fund.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The fiscal impact of this bill is to increase FY 2002 General Fund revenues by \$50 million and to decrease SDBF assets by \$50 million. In addition, this bill authorizes the State Treasurer to expend fund resources to purchase insurance, excess insurance or reinsurance for the fund, and to contract for measures to prevent the additional \$50 million withdrawal from the fund from reducing or delaying benefit payments. It is not possible to estimate the additional costs to the fund that could result from this additional authorization.

The State disability benefits fund, also known as the fund for Temporary Disability Insurance (TDI), provides wage replacement benefits for workers who become disabled due to injury or illness which occurs outside of employment, including disability related to pregnancy. The SDBF also is used to pay TDI program administrative costs, both to disburse State plan TDI benefits and to oversee private TDI plans.

The FY 2002 Appropriations Act already authorizes the transfer to the General Fund up to \$30.6 million for TDI program administrative costs, and the transfer of an additional \$33 million as general State revenue. Also, the FY 2002 Appropriations Act includes language authorizing an additional transfer to the General Fund, above and beyond the \$33 million, based upon the actual receipt of revenue to the SDBF and after consultation between the State Treasurer and the Commissioner of Labor. Therefore upon approval of this bill, a total of \$83 million will be transferred to the General Fund for revenue purposes from the SDBF in FY 2002, in addition to the \$30.6 million that is being used to pay administrative costs of the program. Given year-end fund balances for 1999-2001 of \$195.8 million, \$198.6 million and \$229.4 million respectively, it is projected that the SDBF can sustain a transfer of \$50 million to the General Fund, in addition to the \$63.6 million already authorized. The bill provides that employer Temporary Disability Benefit taxes will be calculated as if the \$50 million transfer had not been transferred out of the SDBF.

Section:	Commerce, Labor and Industry
Analyst:	Sonya S. Hough Assistant Fiscal Analyst
Approved:	Alan R. Kooney Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

S17 [1R]

ASSEMBLY, No. 2006 STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED FEBRUARY 11, 2002

Sponsored by: Assemblyman NEIL M. COHEN District 20 (Union) Assemblyman JOHN S. WISNIEWSKI District 19 (Middlesex)

SYNOPSIS

Withdraws \$50 million from the State disability benefits fund; authorizes certain other expenditures from the fund.

CURRENT VERSION OF TEXT

As introduced.



Z

AN ACT authorizing the withdrawal of \$50 million from the State
 disability benefits fund, authorizing certain other expenditures from
 the fund, and amending P.L.1948, c.110.

4 5

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

6 7

8 1. Section 23 of P.L.1948, c.110 (C.43:21-47) is amended to read
9 as follows:

10 23. Withdrawal from Federal Treasury. (a) The State Treasurer is 11 hereby authorized and directed to requisition and withdraw on or before December 31, 1948, the sum of \$50,000,000.00 from the 12 amount of worker contributions heretofore accumulated in the State 13 14 unemployment compensation fund and deposited in and credited to the account of this State in the unemployment trust fund of the United 15 16 States of America, established and maintained pursuant to section 904 17 of the Social Security Act, as amended (42 U.S.C. 1104), and to 18 deposit such sums in the State disability benefits fund, established 19 under the "Temporary Disability Benefits Law." The State Treasurer 20 is further authorized and empowered to make such requisitions or withdrawals in accordance with such regulations relating thereto as 21 may be prescribed by the United States Secretary of the Treasury. No 22 23 portion of the amount requisitioned or withdrawn from the Federal 24 Treasury shall be expended for the purpose of administering the 25 "Temporary Disability Benefits Law."

26 (b) The State Treasurer is hereby authorized and directed to requisition and withdraw within 90 days of this enactment, an 27 additional sum of \$50,000,000.00 from the amount of worker 28 29 contributions heretofore accumulated in the State unemployment 30 compensation fund and deposited in and credited to the account of this 31 State in the unemployment trust fund of the United States of America, 32 established and maintained pursuant to section 904 of the Social 33 Security Act, as amended (42 U.S.C.1104), and to deposit such sums in the State disability benefits fund, established under the "Temporary 34 35 Disability Benefits Law." The State Treasurer is further authorized and 36 empowered to make such requisitions or withdrawals in accordance 37 with such regulations relating thereto as may be prescribed by the United States Secretary of the Treasury. If the balance in the State 38 39 disability benefits fund as of December 31 of any calendar year, 40 increased by the contributions credited thereto on or before, or as of 41 January 31 immediately thereafter is in excess of \$75,000,000.00, the 42 excess shall be withdrawn from the State disability benefits fund and 43 deposited to the account of this State in the unemployment trust fund

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 <u>thus</u> is new matter.

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1 until the entire \$50,000,000.00 requisitioned and withdrawn under this 2 subsection (b) has been returned and deposited to the account of this 3 State in the unemployment trust fund pursuant to the provisions of this 4 subsection (b) and subsection (c) hereof. Such repayment to the unemployment trust fund shall be considered in determining 5 6 contribution rates by employers to the State disability benefits fund 7 under R.S.43:21-7(e). No portion of the amount requisitioned or 8 withdrawn from the Federal Treasury shall be expended for the 9 purpose of administering the "Temporary Disability Benefits Law."

10 (c) The State Treasurer shall transfer from the State disability benefits fund to the clearing account of the unemployment 11 12 compensation fund, as established under R.S.43:21-9, the sum of 13 \$25,000,000.00. Such transfer may be made at such times and in such 14 installments as the State Treasurer may deem proper, except that the 15 total sum shall have been transferred by no later than April 30, 1971. Amounts transferred to the clearing account of the unemployment 16 17 compensation fund under this subsection shall be clear immediately 18 and shall be deposited with the Secretary of the Treasury of the United 19 States of America in accordance with the provisions of 20 R.S.43:21-9(b).

21 (d) The State Treasurer is hereby authorized and directed to 22 requisition and withdraw on or before December 31, 1985 a minimum 23 of \$50,000,000.00, at the discretion of the Commissioner of Labor, from the State disability benefits fund established under section 22 of 24 25 P.L.1948, c.110 (C.43:21-46) and to deposit such sum in the clearing 26 account of the State unemployment compensation fund established 27 under R.S.43:21-9. The amount transferred under this subsection (d) 28 shall be cleared immediately and shall be deposited with the Secretary 29 of the Treasury of the United States of America, in accordance with 30 the provisions of R.S.43:21-9(b).

31 (e) The State Treasurer is hereby authorized and directed to 32 requisition and withdraw on or after July 1, 1992 an amount not 33 greater than \$25,000,000 from revenues received pursuant to 34 paragraph (1) of subsection (e) of R.S.43:21-7, at the discretion of the Commissioner of Labor, from the State disability benefits fund 35 36 established pursuant to section 22 of P.L.1948, c.110 (C.43:21-46) 37 and to deposit that amount in the New Jersey Workforce Development 38 Partnership Fund created pursuant to section 9 of P.L.1992, c.43 39 (C.34:15D-9).

(f) The State Treasurer, in consultation with the Commissioner of
Labor, is hereby authorized and directed to requisition and withdraw
on or after July 1, 1994 from revenues received pursuant to paragraph
(1) of subsection (e) of R.S.43:21-7, an amount from the State
disability benefits fund not greater than 25% of the balance in that fund
as of June 30, 1994 and to deposit that amount in the clearing account
of the unemployment compensation fund established under

1 R.S.43:21-9. The amount transferred under this subsection (f) shall be

2 cleared immediately and shall be deposited with the Secretary of the3 Treasury of United States of America, in accordance with the

4 provisions of R.S.43:21-9(b).

(g) To the extent that funds from the General Fund are also 5 6 deposited into the clearing account subsequent to July 1, 1994 but 7 before October 2, 1994, such amount shall be reimbursed to the 8 General Fund from amounts collected pursuant to 9 R.S.43:21-7(d)(1)(G) and R.S.43:21-7(e) for quarterly periods ending 10 on or after September 30, 1994.

11 (h) The amount transferred from the State disability benefits fund 12 to the clearing account of the unemployment compensation fund under 13 subsection (f) of this section plus any amount reimbursed to the 14 General Fund in accordance with subsection (g) shall be repaid to the 15 State disability benefits fund from general State revenues with interest at the rate earned by the investments made with moneys remaining in 16 17 the State disability benefits fund. The repayment period shall not 18 exceed ten years. The amount repaid each year shall be not less than 19 one tenth of the total amount transferred from the State disability 20 benefits fund to the clearing account of the unemployment 21 compensation fund under subsection (f) of this section, plus not less 22 than one tenth of the amount reimbursed to the General Fund in 23 accordance with subsection (g), plus accrued interest. The State 24 Treasurer shall, on or before the thirty-first day of January in 1995 and 25 in each subsequent year determine what amount shall be repaid to the 26 State disability benefits fund in the next commencing fiscal year, which 27 amount shall be consistent with the provisions of this subsection (h). 28 The Legislature shall appropriate that amount from the General Fund 29 to the State disability benefits fund. For purposes of determining the 30 balance in the State disability benefits fund as prescribed pursuant to 31 subparagraph (1) of subparagraph (E) of paragraph (3) of subsection 32 (e) of R.S.43:21-7, the amount transferred from the State disability 33 benefits fund to the unemployment compensation fund pursuant to 34 subsection (f) of this section and reimbursed to the General Fund pursuant to subsection (g) of this section less repayments or other 35 36 reductions, plus accrued interest shall be included therein.

37 (i) The State Treasurer is hereby authorized and directed to 38 requisition and withdraw on or after July 1, 1996 an amount not 39 greater than \$250,000,000 from the State disability benefits fund and 40 to deposit that amount in the General Fund. For purposes of 41 determining the balance in the State disability benefits fund as 42 prescribed pursuant to subparagraph (1) of subparagraph (E) of 43 paragraph (3) of subsection (e) of R.S.43:21-7, the amount transferred 44 from the State disability benefits fund to the General Fund pursuant to 45 this subsection (i) shall be included therein.

1 (j) To ensure that the provisions of subsection (i) of this section do 2 not reduce or delay benefits payable pursuant to the "Temporary 3 Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), 4 whenever the amount in the State disability benefits fund is less than the amount required to pay the benefits provided under that law and 5 6 the necessary costs of administering those benefits, the additional 7 amount required to pay the benefits and the administrative costs shall 8 be paid from the General Fund. The amounts paid from the General 9 Fund for benefits and administrative costs pursuant to this subsection shall be repaid to the General Fund from the State disability benefits 10 11 fund at such time as the Treasurer determines that the repayment may 12 be made without reducing or delaying benefits payable pursuant to the 13 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 14 seq.). The repayment to the General Fund from the State disability 15 benefits fund pursuant to this subsection (j) shall not effect an increase in employee or employer contributions under subsection (d) or (e) of 16 17 R.S.43:21-7. 18 (k) The State Treasurer is hereby authorized and directed to 19 requisition and withdraw on or after July 1, 2002 an amount not 20 greater than \$50,000,000 from the State disability benefits fund and to 21 deposit that amount in the General Fund. For purposes of determining 22 the balance in the State disability benefits fund as prescribed pursuant 23 to subparagraph (1) of subparagraph (E) of paragraph (3) of 24 subsection (e) of R.S.43:21-7, the amount transferred from the State 25 disability benefits fund to the General Fund pursuant to this subsection 26 (k) shall be regarded as being included in the State disability benefits 27 fund. 28 (1) The State Treasurer is authorized to utilize funds from the State 29 disability benefits fund to purchase insurance, excess insurance or 30 reinsurance for the fund and to enter into whatever contracts are 31 needed to ensure that the provisions of subsection (k) of this section 32 do not reduce or delay benefits payable pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) 33 34 (cf: P.L.1996, c.47, s.1) 35 36 2. This act shall take effect immediately. 37 38 39 **STATEMENT** 40 41 This bill authorizes and directs the State Treasurer, on or after 42 July 1, 2002, to transfer an amount not greater than \$50,000,000 from 43 the State disability benefits fund to the General Fund. The bill 44 provides that the amount transferred will, nonetheless, continue to be 45 regarded as being included in the State disability benefits fund for purposes of determining the balance in the State disability benefits 46

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- 2 The bill authorizes the State Treasurer to utilize funds from the
- 3 State disability benefits fund to purchase insurance, excess insurance
- 4 or reinsurance for the fund and to enter into contracts as needed to
- 5 prevent the provisions of the bill from reducing or delaying the
- 6 payment of temporary disability benefits from the fund.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2006

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 21, 2002

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2006 with committee amendments.

Assembly Bill No. 2006, as amended, authorizes and directs the State Treasurer, before July 1, 2002, to transfer an amount not greater than \$50,000,000 from the State disability benefits fund to the General Fund. The bill provides that the amount transferred will, nonetheless, continue to be regarded as being included in the State disability benefits fund for purposes of determining the balance in the State disability benefits fund.

The bill also authorizes the State Treasurer to use funds from the State disability benefits fund to purchase insurance, excess insurance or reinsurance for the fund and to enter into contracts as needed to prevent the provisions of the bill from reducing or delaying the payment of temporary disability benefits from the fund.

FISCAL IMPACT:

The bill directs the Treasurer to transfer \$50,000,000 from the State disability benefits fund to the General Fund, which increases the General Fund balance by \$50,000,000 and decreases State disability benefits fund assets by \$50,000,000. The additional costs that could be incurred by the Treasurer's authorization under the bill to use fund assets to purchase insurance, excess insurance or reinsurance for the fund and to enter into contracts as needed to prevent the provisions of the bill from reducing or delaying the payment of temporary disability benefits cannot be estimated.

COMMITTEE AMENDMENTS:

The amendments clarify that the transfer is to be made in State fiscal year 2002 and that the amount transferred is in addition to the amount transferred pursuant to the appropriations act for State fiscal year 2002.

LEGISLATIVE FISCAL ESTIMATE [First Reprint] ASSEMBLY, No. 2006 STATE OF NEW JERSEY 210th LEGISLATURE

DATED: MARCH 14, 2002

SUMMARY

Synopsis:	Withdraws \$50 million from the State disability benefits fund; authorizes certain other expenditures from the fund.	
Type of Impact:	Transfers \$50 million from the State disability benefits fund to the General Fund.	
Agencies Affected:	Department of Labor	

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
State disability benefits fund	Decrease assets \$50 million	N.A.	N.A.
General Fund	Increase revenues \$50 million	N. A.	N.A.

- I This bill provides a transfer of \$50 million to the General Fund from the State disability benefits fund, which at the end of FY 2001 had a balance of \$229.4 million.
- ! The State disability benefits fund began FY 2001 with a balance of \$198.6 million, received revenues of approximately \$469.9 million and expended \$406 million with an additional \$33 million transferred from the fund for Temporary Disability Insurance expenses.
- ! The bill provides that employer Temporary Disability Insurance taxes will be calculated as if the \$50 million had not been transferred out of the fund.
- ! The bill's provisions also allow the purchase of insurance, or other means, to protect against a potential negative cash balance in the State disability benefits fund.

BILL DESCRIPTION

Assembly Bill No. 2006 (1R) of 2002 transfers \$50 million from the State disability benefits fund (SDBF) to the General Fund in fiscal year 2002. The bill further provides that this \$50

Office of Legislative Services State House Annex P.O. Box 068 Trenton, New Jersey 08625



A2006 [1R]

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million transfer will not be considered for purposes of determining the balance in the SDBF. The bill also authorizes the State Treasurer to use balances in the SDBF to purchase insurance, excess insurance or reinsurance for the fund and to enter into contracts as needed to prevent the reduction or delay of payments of temporary disability benefits from the fund.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The fiscal impact of this bill is to increase FY 2002 General Fund revenues by \$50 million and to decrease SDBF assets by \$50 million. In addition, this bill authorizes the State Treasurer to expend fund resources to purchase insurance, excess insurance or reinsurance for the fund, and to contract for measures to prevent the additional \$50 million withdrawal from the fund from reducing or delaying benefit payments. It is not possible to estimate the additional costs to the fund that could result from this additional authorization.

The State disability benefits fund, also known as the fund for Temporary Disability Insurance (TDI), provides wage replacement benefits for workers who become disabled due to injury or illness which occurs outside of employment, including disability related to pregnancy. The SDBF also is used to pay TDI program administrative costs, both to disburse State plan TDI benefits and to oversee private TDI plans.

The FY 2002 Appropriations Act already authorizes the transfer to the General Fund up to \$30.6 million for TDI program administrative costs, and the transfer of an additional \$33 million as general State revenue. Also, the FY 2002 Appropriations Act includes language authorizing an additional transfer to the General Fund, above and beyond the \$33 million, based upon the actual receipt of revenue to the SDBF and after consultation between the State Treasurer and the Commissioner of Labor. Therefore upon approval of this bill, a total of \$83 million will be transferred to the General Fund for revenue purposes from the SDBF in FY 2002, in addition to the \$30.6 million that is being used to pay administrative costs of the program. Given year-end fund balances for 1999-2001 of \$195.8 million, \$198.6 million and \$229.4 million respectively, it is projected that the SDBF can sustain a transfer of \$50 million to the General Fund, in addition to the \$63.6 million already authorized. The bill provides that employer Temporary Disability Benefit taxes will be calculated as if the \$50 million transfer had not been transferred out of the SDBF.

Section:Commerce, Labor and IndustryAnalyst:Sonya S. Hough
Assistant Fiscal AnalystApproved:Alan R. Kooney
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.



Previous Screen

McGreevey Signs into Law Six Budget Remedies for FY 2002 Governor credits bipartisan spirit as key to passage

(TRENTON)-Governor James E. McGreevey commended the bipartisan spirit of the Legislature today as he signed into law six pieces of legislation that constitute key components of his Fiscal Year 2002 budget proposal. McGreevey had outlined his proposal during an emergency address to the Legislature on February 11th.

"Today, I am proud to announce that a spirit of bipartisanship has prevailed," said McGreevey. "On February 11th, I announced a series of proposals requiring legislative approval to close the remainder of this year's \$3 billion shortfall. I urged the members of the Legislature to join me in setting aside partisan politics and in working together toward this common goal. Today, that goal was accomplished."

In February, McGreevey stood before a joint session of the Legislature and outlined his plan to balance the FY 2002 budget, which contained a deficit of nearly \$3 billion. In addition to announcing a broad range of executive actions to save the State approximately \$1 billion, McGreevey stated that in order to balance the remainder of the budget, legislative action on certain proposals would be necessary.

The six bills signed into law today will provide over \$287 million towards solving this year's \$3 billion problem. Four of these bills transfer money out of accounts in which it is not being used. The fifth bill extends by 15 days the deadline for distributing the Energy Tax Receipts Property Tax Relief Fund to municipalities operating on a calendar year budget. The sixth bill creates a tax amnesty program, which establishes a 60-day period for payment of any outstanding tax liability for returns due between January 1, 1996 and January 1, 2002.

These bills are:

• **NJ Housing and Mortgage Financing Authority Transfer:** Directs the NJHMFA to transfer funds from its reserves into the General Fund. This bill is expected to provide an additional \$25 million in revenues.

S-13 (Rice D-Essex) A-2002 (Tucker D-Essex, Payne D-Essex, Union) • **Health Care Facilities Financing Authorities Transfer:** Provides for a transfer \$16.5 million of NJHCFFA reserves to the General Fund for the purposes of hospital charity care.

S-19 (Vitale D-Middlesex, Buono D-Middlesex) A-2005 (Weinberg D-Bergen, Quigley D-Bergen, Hudson)

• **Temporary Disability Insurance Fund Transfer:** Provides for a transfer of funds up to \$50 million from the State Temporary Disability Insurance Fund to the General Fund.

S-17 (Codey D-Essex) A-2006 (Cohen D-Union, Wisniewski D-Middlesex)

• **Second Injury Fund Surcharge Transfer:** Concerns the calculation of Second Injury Fund surcharges and would provide an additional \$20 million in revenues.

S-15 (Adler D-Camden) A-2007 (Weinberg D-Bergen, Steele D-Bergen, Passaic)

• **Energy Tax:** Extends by 15 days the time for distribution of a portion of the Energy Tax Receipts Property Tax Relief Fund aid to be paid to municipalities on a calendar year budget. This bill is expected to provide an additional \$26 million in revenues.

S-12 (Suliga, D-Middlesex, Somerset, Union) A-2004 (Caraballo (D-Essex, Union; Impreveduto D-Bergen, Hudson)

• **Tax Amnesty:** Establishes a 60-day tax amnesty period for the payment of any outstanding tax liability for returns due between January 1, 1996 and January 1, 2002. Any taxpayer who failed to pay State taxes during this period has until June 10, 2002 to pay the due taxes without penalty. This bill is expected to raise an additional \$150 million in revenues.

S-16/ S-404 (Buono D-Middlesex; Kavanaugh R-Morris, Somerset; Lance R-Warren, Hunterdon) A-2001 (Greenwald D-Camden; Pou D-Bergen, Passaic)

On March 26th, McGreevey will again address the Legislature on how he plans to close the \$6 billion budget gap facing the State in the next fiscal year. He said he will work to forge the same bipartisan spirit as his Administration works with the Legislature to provide a fiscally responsible budget.

"I am confident that the same spirit of cooperation that has led to the passage of these bills will continue to guide us as we complete this year's budget and work together to address the \$6 billion challenge that lies ahead for next year," said McGreevey.

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State of New Jersey Governor's Office

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