

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, **may possibly** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L. 2021, CHAPTER 329, *approved December 21, 2021*

Assembly, No. 5998

1 AN ACT concerning deferred retirement by certain members of the
2 Judicial Retirement System and amending P.L.2019, c.287.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 1 of P.L.2019, c.287 (C.43:6A-11.1) is amended to
8 read as follows:

9 1. Notwithstanding the provisions of any law or regulation to
10 the contrary, a member of the Judicial Retirement System who has
11 been appointed by the Governor, with the advice and consent of the
12 Senate, to the position of county prosecutor in accordance with
13 N.J.S.2A:158-1 or who has been appointed by the Chief Justice of
14 the Supreme Court to the position of Administrative Director of the
15 Courts in accordance with Article VI, Section VII, paragraph 1 of
16 the New Jersey Constitution may file, prior to commencing service
17 as the county prosecutor or as the Administrative Director of the
18 Courts, a written and duly executed application for retirement for
19 any reason other than disability if the member has attained the age
20 of 65 years, has the necessary judicial service credit for a full
21 judicial retirement, and has served for **[25]** 20 years as a judge for
22 any court in New Jersey. The approval process shall be expedited.
23 If the application is approved, the effective date of retirement for
24 that member shall be deferred to the first day of the month
25 following the termination of the member's service in the position of
26 county prosecutor or of Administrative Director of the Courts. The
27 application for retirement shall be accompanied by a copy of the
28 member's written resignation from the judicial office effective as of
29 the date of the approval of the retirement application.

30 If such a person attains the age of 70 years while serving as a
31 county prosecutor or as the Administrative Director of the Courts
32 and has an approved application for the member's retirement the
33 effective date of which has been deferred, this section shall
34 specifically override the JRS mandatory retirement age of 70
35 enacted in section 7 of P.L.1973, c.140 (C.43:6A-7) and in the
36 administrative code, and shall allow for the deferment of the
37 mandatory retirement for JRS to the first day of the month
38 following the termination of the member's service in the position of
39 county prosecutor or of Administrative Director of the Courts.

40 If such a person dies while in service as a county prosecutor or
41 as the Administrative Director of the Courts, the death shall not be
42 considered a death in active service. The beneficiary shall be
43 eligible for a pension or survivor's benefit, and for any death

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.

1 benefits, based on the approved retirement application and the
2 retirement shall be effective as of the date of death. The election by
3 the member of an option in accordance with section 1 of P.L.2002,
4 c.54 (C.43:6A-16.1) shall become effective and payable.

5 Notwithstanding any other provision of law to the contrary, a
6 person who files an application for retirement pursuant to this
7 section and serves in the position of county prosecutor or of
8 Administrative Director of the Courts shall not be eligible to
9 participate in the Defined Contribution Retirement System, enroll in
10 any other State-administered retirement system, or receive any other
11 payments from the county or State deemed to be payments for
12 retirement accounts, funds, pensions, or annuities. The person and
13 the person's dependents shall be eligible for health care benefits
14 coverage provided for the position of county prosecutor or of
15 Administrative Director of the Courts during service in that
16 position.

17 This section shall be effective if the qualified status of the
18 retirement system under federal law can be maintained upon its
19 application, and such modifications to the system as may be
20 available shall be made to allow for its application.

21 (cf: P.L.2021, c.105, s.1)

22
23 2. Section 2 of P.L.2019, c.287 (C.52:14-17.32o) is amended to
24 read as follows:

25 2. Notwithstanding the provisions of P.L.1961, c.49 (C.52:14-
26 17.26 et seq.) to the contrary, from funds appropriated therefor, the
27 State shall pay the premium or periodic charges for the benefits
28 provided to a retired State employee and any dependents under the
29 program, but not including survivors, if the employee: (a) submitted
30 an application for retirement with the Judicial Retirement System
31 pursuant to section 1 of P.L.2019, c.287 (C.43:6A-11.1); (b)
32 subsequently served in the position of county prosecutor or of
33 Administrative Director of the Courts; (c) was covered by the
34 program at the time of terminating full-time employment as a judge
35 with the State, and (d) was eligible for health care benefits coverage
36 in retirement under the program paid in full or in part by the State at
37 the time of terminating full-time employment as a judge with the
38 State.

39 The health care benefits coverage in retirement under the
40 program to which the former State employee is entitled shall be
41 deferred. The former State employee shall notify the program of
42 the date on which employment as a county prosecutor or as the
43 Administrative Director of the Courts is terminated and the deferred
44 retirement is to commence pursuant to section 1 of P.L.2019, c.287
45 (C.43:6A-11.1). The former State employee and the employee's
46 dependents shall be enrolled in the program as soon as feasible after
47 that termination date and shall be entitled to such health care

1 benefits coverage and payments for such coverage as the former
2 State employee was eligible on the date terminating full-time
3 employment as a judge with the State.
4 (cf: P.L.2019, c.287, s.2)

5

6 3. This act shall take effect immediately.

7

8

9

STATEMENT

10

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

15 The bill amends the relevant statute, N.J.S.A.43:6A-11.1, to provide
16 a deferred retirement to such a JRS member who is at least 65 years of
17 age, has the necessary judicial service credit for a full judicial
18 retirement, and has served for 20 years as a judge for any court in New
19 Jersey. Current law requires 25 years as a judge for any court in New
20 Jersey; this bill reduces 25 to 20 years.

21 If such a person attains the age of 70 years while still serving as the
22 Administrative Director of the Courts, the current law (N.J.S.A.43:6A-
23 11.1) overrides the mandatory retirement age of 70 set forth in the JRS
24 law and regulations and allows for the deferment of the mandatory
25 retirement for JRS to the first day of the month following the
26 termination of the member's service as the Administrative Director of
27 the Courts.

28 The bill also amends current law, N.J.S.A.52:14-17.32o, to
29 provide post-retirement health care benefits through the State
30 Health Benefits Program (SHBP) to the JRS member who deferred
31 retirement to serve as the Administrative Director of the Courts if
32 the person was eligible for such benefits at the time of terminating
33 employment as a judge.

34

35

36

37

38 Permits deferred retirement from JRS for member appointed as
39 Administrative Director of the Courts by Chief Justice of Supreme
40 Court.

CHAPTER 329

AN ACT concerning deferred retirement by certain members of the Judicial Retirement System and amending P.L.2019, c.287.

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

1. Section 1 of P.L.2019, c.287 (C.43:6A-11.1) is amended to read as follows:

C.43:6A-11.1 Certain members of Judicial Retirement System; deferment.

1. Notwithstanding the provisions of any law or regulation to the contrary, a member of the Judicial Retirement System who has been appointed by the Governor, with the advice and consent of the Senate, to the position of county prosecutor in accordance with N.J.S.2A:158-1 or who has been appointed by the Chief Justice of the Supreme Court to the position of Administrative Director of the Courts in accordance with Article VI, Section VII, paragraph 1 of the New Jersey Constitution may file, prior to commencing service as the county prosecutor or as the Administrative Director of the Courts, a written and duly executed application for retirement for any reason other than disability if the member has attained the age of 65 years, has the necessary judicial service credit for a full judicial retirement, and has served for 20 years as a judge for any court in New Jersey. The approval process shall be expedited. If the application is approved, the effective date of retirement for that member shall be deferred to the first day of the month following the termination of the member's service in the position of county prosecutor or of Administrative Director of the Courts. The application for retirement shall be accompanied by a copy of the member's written resignation from the judicial office effective as of the date of the approval of the retirement application.

If such a person attains the age of 70 years while serving as a county prosecutor or as the Administrative Director of the Courts and has an approved application for the member's retirement the effective date of which has been deferred, this section shall specifically override the JRS mandatory retirement age of 70 enacted in section 7 of P.L.1973, c.140 (C.43:6A-7) and in the administrative code, and shall allow for the deferment of the mandatory retirement for JRS to the first day of the month following the termination of the member's service in the position of county prosecutor or of Administrative Director of the Courts.

If such a person dies while in service as a county prosecutor or as the Administrative Director of the Courts, the death shall not be considered a death in active service. The beneficiary shall be eligible for a pension or survivor's benefit, and for any death benefits, based on the approved retirement application and the retirement shall be effective as of the date of death. The election by the member of an option in accordance with section 1 of P.L.2002, c.54 (C.43:6A-16.1) shall become effective and payable.

Notwithstanding any other provision of law to the contrary, a person who files an application for retirement pursuant to this section and serves in the position of county prosecutor or of Administrative Director of the Courts shall not be eligible to participate in the Defined Contribution Retirement System, enroll in any other State-administered retirement system, or receive any other payments from the county or State deemed to be payments for retirement accounts, funds, pensions, or annuities. The person and the person's dependents shall be eligible for health care benefits coverage provided for the position of county prosecutor or of Administrative Director of the Courts during service in that position.

This section shall be effective if the qualified status of the retirement system under federal law can be maintained upon its application, and such modifications to the system as may be available shall be made to allow for its application.

2. Section 2 of P.L.2019, c.287 (C.52:14-17.32o) is amended to read as follows:

C.52:14-17.32o Payment of premium, periodic changes; deferral of certain benefits.

2. Notwithstanding the provisions of P.L.1961, c.49 (C.52:14-17.26 et seq.) to the contrary, from funds appropriated therefor, the State shall pay the premium or periodic charges for the benefits provided to a retired State employee and any dependents under the program, but not including survivors, if the employee: (a) submitted an application for retirement with the Judicial Retirement System pursuant to section 1 of P.L.2019, c.287 (C.43:6A-11.1); (b) subsequently served in the position of county prosecutor or of Administrative Director of the Courts; (c) was covered by the program at the time of terminating full-time employment as a judge with the State, and (d) was eligible for health care benefits coverage in retirement under the program paid in full or in part by the State at the time of terminating full-time employment as a judge with the State.

The health care benefits coverage in retirement under the program to which the former State employee is entitled shall be deferred. The former State employee shall notify the program of the date on which employment as a county prosecutor or as the Administrative Director of the Courts is terminated and the deferred retirement is to commence pursuant to section 1 of P.L.2019, c.287 (C.43:6A-11.1). The former State employee and the employee's dependents shall be enrolled in the program as soon as feasible after that termination date and shall be entitled to such health care benefits coverage and payments for such coverage as the former State employee was eligible on the date terminating full-time employment as a judge with the State.

3. This act shall take effect immediately.

Approved December 21, 2021.

ASSEMBLY, No. 5998

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 8, 2021

Sponsored by:

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman CRAIG J. COUGHLIN

District 19 (Middlesex)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Permits deferred retirement from JRS for member appointed as Administrative Director of the Courts by Chief Justice of Supreme Court.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/20/2021)

A5998 MUKHERJI, COUGHLIN

2

1 AN ACT concerning deferred retirement by certain members of the
2 Judicial Retirement System and amending P.L.2019, c.287.

3

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

6

7 1. Section 1 of P.L.2019, c.287 (C.43:6A-11.1) is amended to
8 read as follows:

9 1. Notwithstanding the provisions of any law or regulation to
10 the contrary, a member of the Judicial Retirement System who has
11 been appointed by the Governor, with the advice and consent of the
12 Senate, to the position of county prosecutor in accordance with
13 N.J.S.2A:158-1 or who has been appointed by the Chief Justice of
14 the Supreme Court to the position of Administrative Director of the
15 Courts in accordance with Article VI, Section VII, paragraph 1 of
16 the New Jersey Constitution may file, prior to commencing service
17 as the county prosecutor or as the Administrative Director of the
18 Courts, a written and duly executed application for retirement for
19 any reason other than disability if the member has attained the age
20 of 65 years, has the necessary judicial service credit for a full
21 judicial retirement, and has served for **[25]** 20 years as a judge for
22 any court in New Jersey. The approval process shall be expedited.
23 If the application is approved, the effective date of retirement for
24 that member shall be deferred to the first day of the month
25 following the termination of the member's service in the position of
26 county prosecutor or of Administrative Director of the Courts. The
27 application for retirement shall be accompanied by a copy of the
28 member's written resignation from the judicial office effective as of
29 the date of the approval of the retirement application.

30 If such a person attains the age of 70 years while serving as a
31 county prosecutor or as the Administrative Director of the Courts
32 and has an approved application for the member's retirement the
33 effective date of which has been deferred, this section shall
34 specifically override the JRS mandatory retirement age of 70
35 enacted in section 7 of P.L.1973, c.140 (C.43:6A-7) and in the
36 administrative code, and shall allow for the deferment of the
37 mandatory retirement for JRS to the first day of the month
38 following the termination of the member's service in the position of
39 county prosecutor or of Administrative Director of the Courts.

40 If such a person dies while in service as a county prosecutor or
41 as the Administrative Director of the Courts, the death shall not be
42 considered a death in active service. The beneficiary shall be
43 eligible for a pension or survivor's benefit, and for any death
44 benefits, based on the approved retirement application and the
45 retirement shall be effective as of the date of death. The election by
46 the member of an option in accordance with section 1 of P.L.2002,
47 c.54 (C.43:6A-16.1) shall become effective and payable.

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.

1 Notwithstanding any other provision of law to the contrary, a
2 person who files an application for retirement pursuant to this
3 section and serves in the position of county prosecutor or of
4 Administrative Director of the Courts shall not be eligible to
5 participate in the Defined Contribution Retirement System, enroll in
6 any other State-administered retirement system, or receive any other
7 payments from the county or State deemed to be payments for
8 retirement accounts, funds, pensions, or annuities. The person and
9 the person's dependents shall be eligible for health care benefits
10 coverage provided for the position of county prosecutor or of
11 Administrative Director of the Courts during service in that
12 position.

13 This section shall be effective if the qualified status of the
14 retirement system under federal law can be maintained upon its
15 application, and such modifications to the system as may be
16 available shall be made to allow for its application.

17 (cf: P.L.2021, c.105, s.1)

18

19 2. Section 2 of P.L.2019, c.287 (C.52:14-17.32o) is amended to
20 read as follows:

21 2. Notwithstanding the provisions of P.L.1961, c.49 (C.52:14-
22 17.26 et seq.) to the contrary, from funds appropriated therefor, the
23 State shall pay the premium or periodic charges for the benefits
24 provided to a retired State employee and any dependents under the
25 program, but not including survivors, if the employee: (a) submitted
26 an application for retirement with the Judicial Retirement System
27 pursuant to section 1 of P.L.2019, c.287 (C.43:6A-11.1); (b)
28 subsequently served in the position of county prosecutor or of
29 Administrative Director of the Courts; (c) was covered by the
30 program at the time of terminating full-time employment as a judge
31 with the State, and (d) was eligible for health care benefits coverage
32 in retirement under the program paid in full or in part by the State at
33 the time of terminating full-time employment as a judge with the
34 State.

35 The health care benefits coverage in retirement under the
36 program to which the former State employee is entitled shall be
37 deferred. The former State employee shall notify the program of
38 the date on which employment as a county prosecutor or as the
39 Administrative Director of the Courts is terminated and the deferred
40 retirement is to commence pursuant to section 1 of P.L.2019, c.287
41 (C.43:6A-11.1). The former State employee and the employee's
42 dependents shall be enrolled in the program as soon as feasible after
43 that termination date and shall be entitled to such health care
44 benefits coverage and payments for such coverage as the former
45 State employee was eligible on the date terminating full-time
46 employment as a judge with the State.

47 (cf: P.L.2019, c.287, s.2)

1 3. This act shall take effect immediately.

2

3

4

STATEMENT

5

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

10 The bill amends the relevant statute, N.J.S.A.43:6A-11.1, to provide
11 a deferred retirement to such a JRS member who is at least 65 years of
12 age, has the necessary judicial service credit for a full judicial
13 retirement, and has served for 20 years as a judge for any court in New
14 Jersey. Current law requires 25 years as a judge for any court in New
15 Jersey; this bill reduces 25 to 20 years.

16 If such a person attains the age of 70 years while still serving as the
17 Administrative Director of the Courts, the current law (N.J.S.A.43:6A-
18 11.1) overrides the mandatory retirement age of 70 set forth in the JRS
19 law and regulations and allows for the deferment of the mandatory
20 retirement for JRS to the first day of the month following the
21 termination of the member's service as the Administrative Director of
22 the Courts.

23 The bill also amends current law, N.J.S.A.52:14-17.32o, to
24 provide post-retirement health care benefits through the State
25 Health Benefits Program (SHBP) to the JRS member who deferred
26 retirement to serve as the Administrative Director of the Courts if
27 the person was eligible for such benefits at the time of terminating
28 employment as a judge.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5998

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5998.

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

The bill amends the relevant statute, N.J.S.A.43:6A-11.1, to provide a deferred retirement to such a JRS member who is at least 65 years of age, has the necessary judicial service credit for a full judicial retirement, and has served for 20 years as a judge for any court in New Jersey. Current law requires 25 years as a judge for any court in New Jersey; this bill reduces 25 to 20 years.

If such a person attains the age of 70 years while still serving as the Administrative Director of the Courts, the current law (N.J.S.A.43:6A-11.1) overrides the mandatory retirement age of 70 set forth in the JRS law and regulations and allows for the deferment of the mandatory retirement for JRS to the first day of the month following the termination of the member's service as the Administrative Director of the Courts.

The bill also amends current law, N.J.S.A.52:14-17.32o, to provide post-retirement health care benefits through the State Health Benefits Program (SHBP) to the JRS member who deferred retirement to serve as the Administrative Director of the Courts if the person was eligible for such benefits at the time of terminating employment as a judge.

FISCAL IMPACT:

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

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5998

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2021

The Assembly State and Local Government Committee reports favorably Assembly Bill No. 5998.

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

The bill amends the relevant statute, N.J.S.A.43:6A-11.1, to provide a deferred retirement to such a JRS member who is at least 65 years of age, has the necessary judicial service credit for a full judicial retirement, and has served for 20 years as a judge for any court in New Jersey. Current law requires 25 years as a judge for any court in New Jersey; this bill reduces 25 to 20 years.

If such a person attains the age of 70 years while still serving as the Administrative Director of the Courts, the current law (N.J.S.A.43:6A-11.1) overrides the mandatory retirement age of 70 set forth in the JRS law and regulations and allows for the deferment of the mandatory retirement for JRS to the first day of the month following the termination of the member's service as the Administrative Director of the Courts.

The bill also amends current law, N.J.S.A.52:14-17.32o, to provide post-retirement health care benefits through the State Health Benefits Program (SHBP) to the JRS member who deferred retirement to serve as the Administrative Director of the Courts if the person was eligible for such benefits at the time of terminating employment as a judge.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5998

STATE OF NEW JERSEY

DATED: DECEMBER 6, 2021

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 5998.

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

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

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

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

As reported, this bill is identical to Senate Bill No. 4098, which was also reported by the committee on this date.

FISCAL IMPACT:

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

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 5998
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: NOVEMBER 17, 2021

SUMMARY

- Synopsis:** Permits deferred retirement from JRS for member appointed as Administrative Director of the Courts by Chief Justice of Supreme Court.
- Type of Impact:** Reduction in expenditures for the Judicial Retirement System.
- Agencies Affected:** Division of Pensions and Benefits, Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Pension Fund Cost Decrease	Indeterminate reduction in pension fund expenditures for the Judicial Retirement System		

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

BILL DESCRIPTION

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

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

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



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

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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

Section: State Government

*Analyst: Aggie Szilagyi
Section Chief*

*Approved: Thomas Koenig
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.).

SENATE, No. 4098

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED NOVEMBER 12, 2021

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Permits deferred retirement from JRS for member appointed as Administrative Director of the Courts by Chief Justice of Supreme Court.

CURRENT VERSION OF TEXT

As introduced.



S4098 SWEENEY

2

1 AN ACT concerning deferred retirement by certain members of the
2 Judicial Retirement System and amending P.L.2019, c.287.

3

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

6

7 1. Section 1 of P.L.2019, c.287 (C.43:6A-11.1) is amended to
8 read as follows:

9 1. Notwithstanding the provisions of any law or regulation to
10 the contrary, a member of the Judicial Retirement System who has
11 been appointed by the Governor, with the advice and consent of the
12 Senate, to the position of county prosecutor in accordance with
13 N.J.S.2A:158-1 or who has been appointed by the Chief Justice of
14 the Supreme Court to the position of Administrative Director of the
15 Courts in accordance with Article VI, Section VII, paragraph 1 of
16 the New Jersey Constitution may file, prior to commencing service
17 as the county prosecutor or as the Administrative Director of the
18 Courts, a written and duly executed application for retirement for
19 any reason other than disability if the member has attained the age
20 of 65 years, has the necessary judicial service credit for a full
21 judicial retirement, and has served for **[25]** 20 years as a judge for
22 any court in New Jersey. The approval process shall be expedited.
23 If the application is approved, the effective date of retirement for
24 that member shall be deferred to the first day of the month
25 following the termination of the member's service in the position of
26 county prosecutor or of Administrative Director of the Courts. The
27 application for retirement shall be accompanied by a copy of the
28 member's written resignation from the judicial office effective as of
29 the date of the approval of the retirement application.

30 If such a person attains the age of 70 years while serving as a
31 county prosecutor or as the Administrative Director of the Courts
32 and has an approved application for the member's retirement the
33 effective date of which has been deferred, this section shall
34 specifically override the JRS mandatory retirement age of 70
35 enacted in section 7 of P.L.1973, c.140 (C.43:6A-7) and in the
36 administrative code, and shall allow for the deferment of the
37 mandatory retirement for JRS to the first day of the month
38 following the termination of the member's service in the position of
39 county prosecutor or of Administrative Director of the Courts.

40 If such a person dies while in service as a county prosecutor or
41 as the Administrative Director of the Courts, the death shall not be
42 considered a death in active service. The beneficiary shall be
43 eligible for a pension or survivor's benefit, and for any death
44 benefits, based on the approved retirement application and the
45 retirement shall be effective as of the date of death. The election by
46 the member of an option in accordance with section 1 of P.L.2002,
47 c.54 (C.43:6A-16.1) shall become effective and payable.

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.

1 Notwithstanding any other provision of law to the contrary, a
2 person who files an application for retirement pursuant to this
3 section and serves in the position of county prosecutor or of
4 Administrative Director of the Courts shall not be eligible to
5 participate in the Defined Contribution Retirement System, enroll in
6 any other State-administered retirement system, or receive any other
7 payments from the county or State deemed to be payments for
8 retirement accounts, funds, pensions, or annuities. The person and
9 the person's dependents shall be eligible for health care benefits
10 coverage provided for the position of county prosecutor or of
11 Administrative Director of the Courts during service in that
12 position.

13 This section shall be effective if the qualified status of the
14 retirement system under federal law can be maintained upon its
15 application, and such modifications to the system as may be
16 available shall be made to allow for its application.

17 (cf: P.L.2021, c.105, s.1)

18

19 2. Section 2 of P.L.2019, c.287 (C.52:14-17.32o) is amended to
20 read as follows:

21 2. Notwithstanding the provisions of P.L.1961, c.49 (C.52:14-
22 17.26 et seq.) to the contrary, from funds appropriated therefor, the
23 State shall pay the premium or periodic charges for the benefits
24 provided to a retired State employee and any dependents under the
25 program, but not including survivors, if the employee: (a) submitted
26 an application for retirement with the Judicial Retirement System
27 pursuant to section 1 of P.L.2019, c.287 (C.43:6A-11.1); (b)
28 subsequently served in the position of county prosecutor or of
29 Administrative Director of the Courts; (c) was covered by the
30 program at the time of terminating full-time employment as a judge
31 with the State, and (d) was eligible for health care benefits coverage
32 in retirement under the program paid in full or in part by the State at
33 the time of terminating full-time employment as a judge with the
34 State.

35 The health care benefits coverage in retirement under the
36 program to which the former State employee is entitled shall be
37 deferred. The former State employee shall notify the program of
38 the date on which employment as a county prosecutor or as the
39 Administrative Director of the Courts is terminated and the deferred
40 retirement is to commence pursuant to section 1 of P.L.2019, c.287
41 (C.43:6A-11.1). The former State employee and the employee's
42 dependents shall be enrolled in the program as soon as feasible after
43 that termination date and shall be entitled to such health care
44 benefits coverage and payments for such coverage as the former
45 State employee was eligible on the date terminating full-time
46 employment as a judge with the State.

47 (cf: P.L.2019, c.287, s.2)

1 3. This act shall take effect immediately.

2

3

4

STATEMENT

5

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

10 The bill amends the relevant statute, N.J.S.A.43:6A-11.1, to provide
11 a deferred retirement to such a JRS member who is at least 65 years of
12 age, has the necessary judicial service credit for a full judicial
13 retirement, and has served for 20 years as a judge for any court in New
14 Jersey. Current law requires 25 years as a judge for any court in New
15 Jersey; this bill reduces 25 to 20 years.

16 If such a person attains the age of 70 years while still serving as the
17 Administrative Director of the Courts, the current law (N.J.S.A.43:6A-
18 11.1) overrides the mandatory retirement age of 70 set forth in the JRS
19 law and regulations and allows for the deferment of the mandatory
20 retirement for JRS to the first day of the month following the
21 termination of the member's service as the Administrative Director of
22 the Courts.

23 The bill also amends current law, N.J.S.A.52:14-17.32o, to
24 provide post-retirement health care benefits through the State
25 Health Benefits Program (SHBP) to the JRS member who deferred
26 retirement to serve as the Administrative Director of the Courts if
27 the person was eligible for such benefits at the time of terminating
28 employment as a judge.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4098

STATE OF NEW JERSEY

DATED: DECEMBER 6, 2021

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

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

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

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

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

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

FISCAL IMPACT:

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

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 4098
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: NOVEMBER 19, 2021

SUMMARY

Synopsis: Permits deferred retirement from JRS for member appointed as Administrative Director of the Courts by Chief Justice of Supreme Court.

Type of Impact: Reduction in expenditures for the Judicial Retirement System.

Agencies Affected: Division of Pensions and Benefits, Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Pension Fund Cost Decrease	Indeterminate reduction in pension fund expenditures for the Judicial Retirement System		

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

BILL DESCRIPTION

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

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

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



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

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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

Section: *State Government*

Analyst: *Aggie Szilagyi*
 Section Chief

Approved: *Thomas Koenig*
 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.).

Governor Murphy Takes Action on Legislation

12/21/2021

TRENTON - Today, Governor Murphy signed the following bills into law:

S-108/A-169 wGR (Gill, Turner/Caputo, Wirths) - Concerns speech rights of student journalists at public schools and public institutions of higher education

S-2834/A-5312 wGR (Ruiz, Cunningham/Quijano, Lampitt, McKnight) - Mandates training on culturally responsive teaching for all candidates for teaching certification

S-2953/A-4785 wGR (Sweeney, Cunningham/Quijano, Verrelli, Mukherji) - Expands scope of inmate reentry assistance and benefits

S-3955/A-5905 wGR (Ruiz, Pou/Timberlake, Speight, Spearman) - Establishes "Rental Assistance Navigation Program" in DCA; makes appropriation

S-3994/A-5943 (Sweeney/Greenwald, Mazzeo, Armato, Murphy) - Temporarily modifies taxes and credits of casino licensees; permanently redefines promotional gaming credits to include certain coupons and table game wagers; requires priority funding for senior and disabled transportation services

S-4007/A-5587 (Sweeney/Greenwald) - Concerns matters related to operations and obligations of casino gaming properties and finances of Atlantic City

S-4078/A-5974 (Greenstein, Corrado/Carter, Stanley, Chaparro) - Modifies lists of projects eligible to receive loans for environmental infrastructure projects from NJ Infrastructure Bank for FY2022

S-4147/A-6216 (Beach, Turner, Tucker, Verrelli, Caputo) - Appropriates \$16,380,595 from constitutionally dedicated CBT revenues to NJ Historic Trust for grants for certain historic preservation projects and associated administrative expenses

S-4274/A-6170 (Sweeney/McKeon) - Provides supplemental appropriations of \$500,000 to the Apportionment Commission and \$500,000 to the New Jersey Redistricting Commission

A-2455/S-2204 wGR (Benson, Vainieri Huttel, DeAngelo/Greenstein, Oroho) - Establishes pilot program in DOE to support robotics programs in school districts

A-3062/S-1196 wGR (Pintor Marin, Moen, Reynolds-Jackson/Pou, Cruz-Perez) - Establishes three year Financial Empowerment Pilot Program

A-4433/S-2715 wGR (Greenwald, Mukherji, Lampitt/Beach, Corrado) - Creates grant program to encourage school districts to partner with institutions of higher education in training school-based mental health services providers

A-4435/S-2717 wGR (Verrelli, Greenwald, Speight, Lampitt/Beach, Corrado) - Requires DCF to give priority to certain school districts with student mental health counseling centers in awarding grants under School Based Youth Services Program

A-4746/S-3947 wGR (Mosquera, Lopez, Chaparro, Dunn/Vitale, Turner) - Requires that certain provider subsidy payments for child care services be based on enrollment

A-4834/S-3474 wGR (Mazzeo, Quijano, Downey/Pou, Turner) - Prohibits mail falsely implying State government connection

A-5353/S-3421 wGR (Conaway, Vainieri Huttle, Benson/Madden, Turner) - Provides for certification of temporary nurse aides

A-5599/S-3916 wGR (Chiaravalloti, Vainieri Huttle, McKnight/Scutari, Gill) - Establishes order of protection for judicial officer; upgrades and clarifies harassment against judicial officer; bars firearms possession by persons against whom judicial officer order of protection is entered

A-5975/S-4079 (Calabrese, Tucker, Mejia/Bateman, Smith) – Amends list of environmental infrastructure projects approved for long-term funding for FY2022; makes various changes to FY2022 environmental infrastructure funding program

A-5998/S-4098 (Mukherji, Coughlin/Sweeney) - Permits deferred retirement from JRS for member appointed as Administrative Director of the Courts by Chief Justice of Supreme Court

A-6072/S-4169 (Egan, Coughlin, Danielsen/Vitale, Smith) - Increases number of hospitals eligible for highest amount of charity care subsidy payment; appropriates \$30 million