

52:9HH-1

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 52:9HH-1 (Pension & Health Review Commission---
creates)

LAWS OF: 1991 CHAPTER: 382

Bill No: S277

Sponsor(s): Lynch

Date Introduced: Pre-filed

Committee: Assembly: ---

Senate: State Government

Amended during passage: Yes

Date of Passage: Assembly: January 9, 1992

Senate: January 6, 1992

Date of Approval: January 16, 1992

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: No

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

See newspaper clippings --- attached

KBG/dgw

[FIRST REPRINT]

SENATE, No. 277

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1990 SESSION

By Senator LYNCH

1 AN ACT establishing a Pension and Health Benefits Review
2 Commission¹[,] and¹ supplementing Title 52 of the Revised
3 Statutes ¹[and making an appropriation]¹.

4

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

7 1. There is hereby established a Pension and Health Benefits
8 Review Commission. The commission shall consist of ¹[12] 10¹
9 members: the State Treasurer and three other members of the
10 Executive Branch, who shall be designated by the Governor and
11 who shall serve at the Governor's pleasure; two ¹public¹
12 members ¹[of the Senate]¹ to be appointed by the President
13 ¹[thereof] of the Senate¹, no more than one of whom shall be of
14 the same political party; two ¹public¹ members ¹[of the General
15 Assembly]¹ to be appointed by the Speaker ¹[thereof] of the
16 General Assembly¹, no more than one of whom shall be of the
17 same political party; and ¹[four] two¹ public members, no more
18 than ¹[two] one¹ of whom shall be of the same political party, to
19 be appointed by the Governor with the advice and consent of the
20 Senate.

21 ¹[Legislative members shall serve during the two-year
22 legislative term in which the appointment is made.]¹ Public
23 members ¹appointed by the Governor¹ shall serve for a term of
24 four years and until their respective successors are appointed and
25 qualified, except that of the public members first appointed, one
26 shall serve for a term of ¹[one year,] two years and¹ one shall
27 serve for a term of ¹[two] four¹ years ¹[, one shall serve for a
28 term of three years and one shall serve for a term of four
29 years]¹. ¹Public members appointed by the President of the
30 Senate or Speaker of the General Assembly shall serve during the
31 two-year legislative term in which the appointment is made and
32 until their respective successors are appointed and qualified.¹

33 Any vacancy in the membership of the commission shall be filled
34 for the balance of the unexpired term in the same manner as the
35 original appointment was made.

36 A chairman of the commission shall be designated by the
37 Governor from among its public members and shall serve at the
38 pleasure of the Governor.

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 SSG committee amendments adopted December 19, 1991.

1 Members of the commission shall serve without compensation
2 but shall be entitled to reimbursement for expenses actually
3 incurred in the performance of their duties.

4 2. a. It shall be the duty of the commission to review any bill,
5 joint resolution or concurrent resolution introduced in either
6 House of the Legislature which ¹[concerns] establishes or
7 modifies¹ pension ¹[and] benefits or¹ health benefits for public
8 employees in this State. Such a review shall include, but not be
9 limited to, an analysis of the bill's or resolution's fiscal impact
10 on the retirement system and on the public employer, any
11 comments upon or recommendations concerning the legislation,
12 and any alternatives to the legislation which the commission may
13 wish to suggest.

14 b. Not later than the ¹[15th] 20th¹ day after the date of
15 introduction of any bill or resolution in either House of the
16 Legislature, the ¹[commission] Legislative Budget and Finance
17 Officer¹ shall review it in order to determine whether the bill or
18 resolution constitutes pension or health benefits legislation. If,
19 on the basis of that review, the ¹[commission] Legislative Budget
20 and Finance Officer¹ determines that the bill or resolution
21 constitutes such legislation, ¹[it] that officer¹ shall promptly give
22 written notice of that determination to the ¹commission, the¹
23 presiding officer of the House in which the bill or resolution was
24 introduced and ¹[to]¹ the chairman of the standing reference
25 committee of that House to which the bill or resolution may have
26 been referred. Not later than the 45th day after the date of
27 introduction of any bill or resolution in either House of the
28 Legislature ¹which the Legislative Budget and Finance Officer
29 has determined constitutes pension or health benefits
30 legislation¹, the commission shall complete its review and
31 provide its comments and recommendations in writing to the
32 presiding officer of the House in which the bill or resolution was
33 introduced and to the chairman of the standing reference
34 committee of that House to which the bill or resolution may have
35 been referred. If the commission requests an extension prior to
36 the 45th day after the date of introduction of a bill or resolution,
37 the presiding officer of the House in which the bill or resolution
38 was introduced may grant an extension for the commission to
39 complete its review of the bill or resolution. The House or
40 committee shall not consider or vote upon the bill or resolution
41 until either the commission completes its review and provides its
42 comments and recommendations in writing to the presiding
43 officer and the chairman, or the 45th day after the date of
44 introduction of the bill or resolution, or the designated day in the
45 case of an extension. If the presiding officer of the House in
46 which the bill or resolution was introduced determines that the
47 bill or resolution is an urgent matter, he shall so notify in writing
48 the commission and the chairman of the standing reference

1 committee to which the bill or resolution may have been
2 referred, and the House or committee may consider and vote
3 upon the bill or resolution as soon as practicable.

4 ¹[c. Within 90 days after the effective date of this act, the
5 commission shall review any bill or resolution introduced prior to
6 the effective date of this act during the 1988 legislative session
7 which concerns public employee pension and health benefits and
8 shall provide its comments in writing to the chairman of the
9 standing reference committee to which the bill or resolution was
10 referred and to the presiding officer of the House in which the
11 bill or resolution was introduced. The review by the commission
12 pursuant to this subsection shall not affect any action taken on
13 any bill or resolution prior to the effective date of this act nor
14 shall any extension to this review period be granted. If the
15 presiding officer of the House in which the bill or resolution was
16 introduced or to which the bill or resolution was referred
17 determines that the bill or resolution is an urgent matter, he shall
18 so notify in writing the commission and the chairman of the
19 standing reference committee to which the bill or resolution may
20 have been referred, and the House or committee may consider
21 and vote upon the bill or resolution as soon as practicable.]¹

22 3. a. The commission shall be entitled to the assistance and
23 services of the employees of any State, county or municipal
24 department, board, bureau, commission or agency as it may
25 require and as may be available to it for these purposes, and to
26 employ stenographic and clerical assistants and incur traveling
27 and other miscellaneous expenses as necessary, to perform its
28 duties, and within the limits of funds appropriated or otherwise
29 made available to it for these purposes.

30 b. The Division of Pensions in the Department of the Treasury
31 shall assist the commission in the performance of its duties. The
32 commission may make use of existing studies, data or other
33 materials in the possession of the division and may request the
34 assistance and services of the division's employees.

35 c. The employees of any State agency or political subdivision
36 of the State may serve at the request of the commission upon any
37 advisory committee which the commission may create and these
38 employees may serve upon these committees without forfeiture
39 of office or employment and with no loss or diminution in the
40 compensation, status, rights and privileges which they otherwise
41 enjoy.

42 4. The commission may meet and hold hearings at the place or
43 places it designates, at which it may request the appearance of
44 officials of any State agency or political subdivision of the State
45 and may solicit the testimony of interested groups and the
46 general public.

47 5. The commission may adopt, in accordance with the
48 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

1 seq.), such rules and regulations as it shall deem necessary to
2 carry out its functions.

3 6. The commission shall report on its activities by December
4 31st of each year to the Legislature and may issue periodic
5 reports concerning public employee pension and health benefits.

6 ¹[7. There is appropriated from the General Fund to the
7 Commission \$90,000 for the purposes of this act.]¹

8 ¹[8.] 7.1 This act shall take effect ¹[immediately] on January
9 14, 1992¹.

10

11

12 STATE GOVERNMENT

13

14 Establishes a Pension and Health Benefits Review Commission.

1 introduced or to which the bill or resolution was referred
2 determines that the bill or resolution is an urgent matter, he shall
3 so notify in writing the commission and the chairman of the
4 standing reference committee to which the bill or resolution may
5 have been referred, and the House or committee may consider
6 and vote upon the bill or resolution as soon as practicable.

7 3. a. The commission shall be entitled to the assistance and
8 services of the employees of any State, county or municipal
9 department, board, bureau, commission or agency as it may
10 require and as may be available to it for these purposes, and to
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12 and other miscellaneous expenses as necessary, to perform its
13 duties, and within the limits of funds appropriated or otherwise
14 made available to it for these purposes.

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24 of office or employment and with no loss or diminution in the
25 compensation, status, rights and privileges which they otherwise
26 enjoy.

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28 places it designates, at which it may request the appearance of
29 officials of any State agency or political subdivision of the State
30 and may solicit the testimony of interested groups and the
31 general public.

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33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.), such rules and regulations as it shall deem necessary to
35 carry out its functions.

36 6. The commission shall report on its activities by December
37 31st of each year to the Legislature and may issue periodic
38 reports concerning public employee pension and health benefits.

39 7. There is appropriated from the General Fund to the
40 Commission \$90,000 for the purposes of this act.

41 8. This act shall take effect immediately.

42
43 STATEMENT
44

45 This bill establishes a Pension and Health Benefits Review
46 Commission. The commission shall consist of 12 members: the
47 State Treasurer and three other members of the Executive
48 Branch, four legislative members, and four public members to be

1 appointed by the Governor with the advice and consent of the
2 Senate. It shall be the duty of the commission to review any bill
3 or resolution introduced in either House of the Legislature which
4 concerns pension and health benefits for public employees. Such
5 a review shall include an analysis of the bill's fiscal impact on
6 the retirement system and on the public employer, any comments
7 upon or recommendations concerning the legislation, and any
8 alternatives to the legislation which the commission may wish to
9 suggest. Under the provisions of the bill, a standing reference
10 committee or House could not consider any pension or health
11 benefits legislation until it received the comments of the
12 commission or until the end of the review period, whichever
13 comes first. The review period is 45 days after the date of
14 introduction of the bill or resolution and can be extended. The
15 review requirement can be waived if the presiding officer of the
16 House of origin of the legislation determines that the bill or
17 resolution is an urgent matter. Within 90 days after the effective
18 date of this act, the commission shall review any bill or
19 resolution concerning public employee pension and health benefits
20 which was introduced prior to the effective date of this act
21 during the 1988 legislative session. This review shall not affect
22 any action taken on any bill or resolution prior to the effective
23 date of this act nor can this review period be extended. The bill
24 includes an appropriation of \$90,000 for the commission to carry
25 out its functions.

26

27

28 STATE GOVERNMENT

29

30 Establishes a Pension and Health Benefits Review Commission;
31 appropriates \$90,000.

SENATE STATE GOVERNMENT AND FEDERAL
AND INTERSTATE RELATIONS COMMITTEE

STATEMENT TO

SENATE, No. 277

with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 19, 1991

The Senate State Government and Federal and Interstate Relations Committee reports favorably and with committee amendments Senate, No. 277.

This bill establishes a Pension and Health Benefits Review Commission. The commission shall consist of 10 members: the State Treasurer and three other members of the Executive Branch, two public members to be appointed by the Senate President, two public members to be appointed by the Speaker of the General Assembly, and two public members to be appointed by the Governor with the advice and consent of the Senate. The commission's chairman shall be designated by the Governor from among its public members and shall serve at the pleasure of the Governor. Commission members shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties.

It shall be the duty of the commission to review any bill, joint resolution or concurrent resolution introduced in either House of the Legislature which establishes or modifies pension benefits or health benefits for public employees in this State. Such a review shall include, but not be limited to, an analysis of the bill's fiscal impact on the retirement system and on the public employer, any comments upon or recommendations concerning the legislation, and any alternatives to the legislation which the commission may wish to suggest.

Under the provisions of the bill, the Legislative Budget and Finance Officer shall review all bills and resolutions within 20 days after their date of introduction in order to determine whether the bill or resolution constitutes pension or health benefits legislation. If the Legislative Budget and Finance Officer determines that the bill or resolution constitutes such legislation, he shall promptly give written notice of that determination to the commission, the presiding officer of the House in which the bill or resolution was introduced and the chairman of the standing reference committee of that House to which the bill or resolution may have been referred. A standing reference committee or House could not consider any pension or health benefits legislation until it received the comments of the commission or until the end of the review period, whichever comes first. The review period is 45 days after

the date of introduction of the bill or resolution and can be extended. The review requirement can be waived if the presiding officer of the House of origin of the legislation determines that the bill or resolution is an urgent matter.

The Division of Pensions in the Department of the Treasury shall assist the commission in the performance of its duties. The commission shall report on its activities by December 31st of each year to the Legislature and may issue periodic reports concerning public employee pension and health benefits. This act shall take effect on January 14, 1992.

This bill was pre-filed for introduction in the 1990 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- (1) remove the legislative members from the commission and provide for the appointment of public members by the Senate President and the Speaker of the General Assembly;
- (2) reduce the number of public members appointed by the Governor from four to two;
- (3) provide that the Legislative Budget and Finance Officer shall determine whether a bill or resolution constitutes pension or health benefits legislation;
- (4) eliminate the appropriation for the commission; and
- (5) provide that the act shall take effect on January 14, 1992.