

ASSEMBLY, No. 2802

STATE OF NEW JERSEY

213th LEGISLATURE

INTRODUCED JUNE 12, 2008

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

SYNOPSIS

Provides additional retirement benefits to certain employees of State government; creates Workforce Reduction Planning Board to oversee workforce reduction requirements in Executive Branch; imposes limit on number of employees in Executive and Judicial Branch.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** providing additional retirement benefits to certain
2 employees of State government and creating a Workforce
3 Reduction Planning Board and supplementing Title 52 of the
4 Revised Statutes.

5
6 **WHEREAS**, The public interest requires the control of long term costs
7 and pension liabilities associated with the retirement of employees
8 of State government pursuant to an early retirement program; and

9 **WHEREAS**, The public interest requires the maximization of short and
10 long term budget savings associated with the reduction in the
11 overall workforce for the State that will occur as a result of an offer
12 of an early retirement incentive program; and

13 **WHEREAS**, The public interest requires assurance that a workforce
14 reduction obtained as a result of an early retirement incentive
15 program is maintained by a cap on the total number of employees to
16 be administered through workforce reduction planning; and

17 **WHEREAS**, To maximize savings and limit pension liabilities resulting
18 from an early retirement incentive program, it is essential to limit
19 the retirement systems through which an early retirement incentive
20 program will be offered to the Public Employees' Retirement
21 System and the Teachers' Pension and Annuity Fund, to require
22 that any employee who participates in such a program be already
23 eligible to retire from State service and to further limit participation
24 in the program to only a designated subset of employees who
25 already are eligible to retire from State service; and

26 **WHEREAS**, Because the public interest requires that savings associated
27 with vacancies achieved through an early retirement program not be
28 lost by rehiring retired former employees, directly or indirectly, it is
29 appropriate to establish restrictions prohibiting eligible employees
30 who retire and receive a benefit pursuant to this act from eligibility
31 for employment in, or from being awarded a contract to perform, or
32 from performing professional services for the State as part of a
33 contract awarded to a third party, by the branch of State
34 government from which they retired, for a period of three years
35 following the effective date of retirement; and

36 **WHEREAS**, To further ensure budget savings and limit liabilities, an
37 early retirement incentive program must not be made available to
38 employees of independent State authorities, or to employees
39 enrolled in certain special sections of the Public Employees'
40 Retirement System, or to certain employees in State departments or
41 agencies when there is a determination that the mission of those
42 departments or agencies are principally related to the provision of
43 direct care or when the nature of their operations otherwise does not
44 permit the imposition of a strict limit on the filling of vacancies;
45 now, therefore,

46
47 **BE IT ENACTED** *by the Senate and General Assembly of the State*
48 *of New Jersey:*

1 1. a. An eligible State employee or an eligible Judiciary
2 employee who is at least 58 years of age and has at least 25 years of
3 service credit under the Public Employees' Retirement System,
4 established pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), or the
5 Teachers' Pension and Annuity Fund, established pursuant
6 N.J.S.18A:66-1 et seq., other than a veteran who retires on a
7 veteran's retirement, shall receive an additional three years of
8 service credit under the Public Employees' Retirement System or
9 the Teachers' Pension and Annuity Fund.

10 An employee who is at least 58 years of age and has at least 25
11 years of service credit and retires on a veteran's retirement under the
12 Public Employees' Retirement System or the Teachers' Pension and
13 Annuity Fund shall receive an additional pension under the
14 retirement system in the amount of 3/55 of the compensation upon
15 which the retirement allowance is based.

16 The additional retirement benefit provided pursuant to this
17 subsection shall be applicable only to the full-time State
18 employment from which an eligible employee retires to receive the
19 benefit and the compensation for that employment.

20 b. For an eligible State employee who is at least 60 years of
21 age and has at least 20, but less than 25, years of service credit
22 under the Public Employees' Retirement System or the Teachers'
23 Pension and Annuity Fund, the retirement system shall pay the
24 premium or periodic charges for benefits provided to the retired
25 State employee and the employee's dependents, but not including
26 survivors, under the "New Jersey State Health Benefits Program
27 Act," P.L.1961, c.49 (C.52:14-17.25 et seq.), in the same manner
28 provided for State payment of premiums or periodic charges for a
29 retired State employee with 25 or more years of service credit under
30 section 6 of P.L.1996, c.8 (C.52:14-17.28b) for Public Employees'
31 Retirement System members, and in the same manner provided for
32 State payment of premiums or periodic charges for a qualified
33 retiree from the Teachers' Pension and Annuity Fund under section
34 3 of P.L.1987, c.384 (C.52:14-17.32f) for Teachers' Pension and
35 Annuity Fund members.

36 c. An eligible State employee who is at least 60 years of age
37 and has at least 10, but less than 20, years of service credit under
38 the Public Employees' Retirement System or the Teachers' Pension
39 and Annuity Fund shall receive an additional pension under the
40 Public Employees' Retirement System or the Teachers' Pension and
41 Annuity Fund of \$500 a month in each of the 24 months following
42 the effective date of retirement.

43 d. To receive the benefits provided by this section, an eligible
44 State employee or an eligible Judiciary employee shall submit an
45 application for retirement on or after March 1, 2008 but not later
46 than July 15, 2008 and retire not later than August 1, 2008.

47 Service credit in the Public Employees' Retirement System or
48 the Teachers' Pension and Annuity Fund established through a

1 purchase completed after the effective date of this act, P.L. , c.
2 (pending before the legislature as this bill), shall not be considered
3 in determining an employee's eligibility for the benefit provided
4 pursuant to subsections a., b., and c. of this section.

5 An application submitted by an eligible State employee or an
6 eligible Judiciary employee for retirement within the time period set
7 forth herein to receive the benefits provided shall be irrevocable
8 seven days after submission.

9 e. For the purpose of this section:

10 "Eligible State employee" means a full-time employee of the
11 Executive Branch of State government eligible to participate in the
12 New Jersey State Health Benefits Program of the State of New
13 Jersey, but not including an employee of the Department of Human
14 Services, Department of Military and Veterans' Affairs, Department
15 of Corrections, Juvenile Justice Commission in but not of the
16 Department of Law and Public Safety, Office of the Public
17 Defender in but not of the Department of the Treasury, and
18 Department of Children and Families.

19 The term shall not include an employee of Rutgers, The State
20 University; the New Jersey Institute of Technology; the University
21 of Medicine and Dentistry of New Jersey; or a State college or
22 university.

23 The term shall not include an employee of a public authority,
24 board, commission, corporation, or other agency or instrumentality
25 of the State allocated in, but not of, a principal department of State
26 government pursuant to Article V, Section IV, paragraph 1 of the
27 New Jersey Constitution authorized to participate in the Public
28 Employees' Retirement System under section 73 of P.L.1954, c.84
29 (C.43:15A-73) or P.L.1990, c.25 (C.43:15A-73.2 et seq.), which
30 entity was authorized under P.L.2002, c.23 to provide additional
31 retirement benefits to certain employees, as such entities are
32 identified by the Division of Pensions and Benefits in consideration
33 that the division submits a separate request for payment and
34 receives a separate payment for benefits purposes from the entity.
35 This paragraph shall not be deemed to exclude the New Jersey
36 Commerce and Economic Growth Commission or its successor.

37 The term shall not include an employee of a public agency or
38 organization as defined in section 71 of P.L.1954, c.84 (C.43:15A-
39 71), or a person participating in the Public Employees' Retirement
40 System under the provisions of P.L.1972, c.167 (C.43:15A-135 et
41 seq.), P.L.2001, c.259 (C.43:15A-142 et seq.), P.L.2001, c.366
42 (C.43:15A-155 et seq.) or P.L.1953, c.202 (C.32:23-1 et seq.).

43 "Eligible Judiciary employee" means a full-time employee of
44 the Judicial Branch of State Government eligible to participate in
45 the New Jersey State Health Benefits Program of the State of New
46 Jersey. The term shall not include a Justice of the Supreme Court,
47 or a Judge of the Superior Court, or a Judge of a Municipal Court,
48 or an employee of a Municipal Court.

1 f. When the needs of the Executive Branch of State
2 government require the services of an employee who elects to retire
3 and receive a benefit pursuant to this section, a State department
4 may delay the effective date of retirement of the employee until the
5 first day of any calendar month after August 1, 2008, but not later
6 than July 1, 2009. For each such delayed retirement, the State
7 department shall request the approval of the State Treasurer by
8 submitting in writing an explanation of the needs of the department,
9 the services required of the employee, and the reasons why that
10 particular employee's services are so essential as to necessitate a
11 delay. The delay shall be effective only upon approval of the
12 request by the State Treasurer. A request by an eligible State
13 employee for a delay in the effective date of retirement, whether the
14 employee provides reasons for the delay or not, shall not be
15 considered by the State Treasurer unless the State department
16 submits a request for a delay to the State Treasurer with the
17 explanation described above.

18 When the needs of the Judicial Branch of State government
19 require the services of an employee who elects to retire and receive
20 a benefit pursuant to this section, the Judiciary may delay the
21 effective date of retirement of the employee until the first day of
22 any calendar month after August 1, 2008, but not later than July 1,
23 2009, pursuant to protocols to be issued by the Chief Justice of the
24 Supreme Court.

25 An eligible State employee who applies to retire and receive the
26 benefits provided by this section shall be deemed to consent, by that
27 application, to a delay in the employee's effective date of retirement
28 if the State department requests and receives approval for such a
29 delay. An eligible Judiciary Employee who applies to retire and
30 receive the benefits provided by this section shall be deemed to
31 consent, by that application, to a delay in the employee's effective
32 date of retirement if the Chief Justice determines that such a delay
33 is appropriate. Such an employee's receipt of the benefits provided
34 by this section shall be conditioned upon faithful performance of
35 services by the employee during the period of delay.

36 A delay in the effective date of retirement of an eligible State
37 employee or an eligible Judiciary employee shall not extend the
38 time period set forth in this section within which an employee shall
39 qualify for a benefit pursuant to this section. The retirement of an
40 employee for whom the effective date of retirement has been
41 delayed shall be irrevocable.

42 For an eligible State employee or an eligible Judiciary employee
43 who is a member of the Public Employees' Retirement System or
44 the Teachers' Pension and Annuity Fund whose effective date of
45 retirement is delayed and who dies before the retirement becomes
46 effective, the retirement shall be effective as of the first day of the
47 month after the date of death of the member.

1 g. The actuaries for the Public Employees' Retirement System
2 and the Teachers' Pension and Annuity Fund shall determine the
3 liabilities of the retirement systems for the additional service credit
4 or pension provided pursuant to this section and for the early
5 retirement of employees in accordance with the tables of actuarial
6 assumptions adopted by the boards of trustees of the retirement
7 systems. These liabilities shall be added to the accrued liabilities of
8 the State under the retirement systems and shall be funded as
9 provided under section 24 of P.L.1954, c.84 (C.43:15A-24), section
10 2 of P.L.1990, c.6 (C.43:15A-24.1), N.J.S.18A:66-18, and section 2
11 of P.L.1987, c.385 (C.18A:66-18.1), respectively.

12 h. An eligible State employee or an eligible Judiciary employee
13 who retires and receives a benefit pursuant to this section shall
14 forfeit all tenure rights.

15 i. An eligible State employee who retires and receives a
16 benefit pursuant to this section shall not be eligible for appointment
17 to, or employment in, any position or capacity in the Executive
18 Branch of State government for a period of three years following
19 the effective date of retirement. An eligible State employee who
20 retires and receives a benefit pursuant to this section shall be barred
21 from being awarded any contract for professional services by the
22 Executive Branch of State Government, or from performing
23 professional services for the State as part of a contract awarded to a
24 third party by the Executive Branch of State government, for a
25 period of three years following the effective date of retirement.

26 An eligible Judiciary employee who retires and receives a
27 benefit pursuant to this section shall not be eligible for appointment
28 to, or employment in, any position or capacity in the Judicial
29 Branch of State Government for a period of three years following
30 the effective date of retirement. An eligible Judiciary employee
31 who retires and receives a benefit pursuant to this section shall be
32 barred from being awarded any contract for professional services by
33 the Judicial Branch of State Government, or from performing
34 professional services for the State as part of a contract awarded to a
35 third party by the Judicial Branch of State Government, for a period
36 of three years following the effective date of retirement.

37 j. The Director of the Division of Pensions and Benefits in the
38 Department of the Treasury may promulgate rules and regulations
39 that the director deems necessary for the effective implementation
40 of this section. Notwithstanding any provision of the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.) to the contrary, the division may adopt immediately upon
43 filing with the Office of Administrative Law such regulations as the
44 division deems necessary to implement the provisions of this act,
45 which shall be effective for a period not to exceed 270 days
46 following enactment of P.L. , c. (pending before the Legislature
47 as this bill), and may thereafter be amended, adopted, or readopted
48 by the division in accordance with the requirements of the

1 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
2 seq.).

3 k. The Division of Pensions and Benefits in the Department of
4 the Treasury shall report in writing to the Joint Budget Oversight
5 Committee beginning on August 15, 2008, and annually thereafter
6 on or before August 15, through 2014, on the results of the
7 additional retirement benefits provided pursuant to this section. In
8 cooperation with the Workforce Reduction Planning Board
9 established pursuant to section 2 of P.L. , c. (C.)(pending
10 before the Legislature as this bill) and based on information
11 provided by the board, the report shall provide an analysis of the
12 impact of this section in order to document the aggregate costs
13 incurred and aggregate savings realized by the State as a result of
14 this section. The report shall include, but need not be limited to, the
15 number of applications to retire filed pursuant to this section; the
16 number of applications to retire approved; the number of delayed
17 retirements; total annual savings; total additional one-time costs;
18 and the corresponding retirement systems unfunded liability.

19

20 2. (New section) a. There is established in the Department of
21 the Treasury a Workforce Reduction Planning Board composed of
22 five members. The board shall be composed of the State Treasurer;
23 the Director of the Division of Budget and Accounting in the
24 Department of the Treasury; either the chair of the Merit System
25 Board or its successor overseeing civil service matters for the State,
26 or a person designated by the Governor; and two persons designated
27 by the Governor. Not later than July 30, 2008, the State Treasurer
28 shall certify to the board the number of full-time employees,
29 excluding seasonal employees and employees of independent
30 authorities, employed by each department of the Executive Branch
31 of State government as of the final pay period in Fiscal Year 2008.
32 Within 60 days of that certification by the State Treasurer, the board
33 shall establish for each department the maximum number of
34 employees that will be permitted to be on each department's payroll
35 as of the final pay period of Fiscal Year 2009. The aggregate
36 number of employees that will be permitted to be on the payroll for
37 all departments as of the final pay period of Fiscal Year 2009 shall
38 not exceed the number of employees certified by the State Treasurer
39 to be on the payroll as of the final pay period of Fiscal Year 2008,
40 less 90 percent of the number of employees who elect to retire and
41 receive a benefit pursuant to section 1 of P.L. , c. (pending
42 before the Legislature as this bill). For Fiscal Year 2010 and every
43 year thereafter, the number of employees in total for all departments
44 in the Executive Branch of State government shall not exceed the
45 number of employees certified by the State Treasurer to be on the
46 payroll as of the final pay period of Fiscal Year 2008, less 90
47 percent of the number of employees who elect to retire and receive
48 a benefit pursuant to section 1 of P.L. , c. (pending before the

1 Legislature as this bill). The cap established pursuant to this
2 section shall not be exceeded unless specifically authorized by law.

3 b. Within 60 days of the receipt of its maximum employee
4 count from the board, each department shall prepare and submit to
5 the board a plan demonstrating how the department intends to
6 achieve its maximum employee count. The board shall review and
7 approve, or modify and approve, each departmental workforce
8 reduction plan within 30 days of its submittal.

9 c. The board shall submit detailed quarterly reports of its
10 activities to the Joint Budget Oversight Committee and the
11 Governor. The board shall cooperate with the Division of Pensions
12 and Benefits in the Department of the Treasury by providing
13 such information as may be needed for the division to submit the
14 annual reports required by subsection k. of section 1 of P.L. ,
15 c. (pending before the Legislature as this bill).

16 d. The board shall monitor implementation of each
17 departmental workforce reduction plan and departmental
18 compliance with the cap established pursuant to this section. Each
19 department shall fully cooperate with the board in monitoring
20 implementation of the plan, and shall provide the board with such
21 information as may be requested by the board.

22

23 3. (New section) The Chief Justice of the Supreme Court shall
24 establish policies and procedures to ensure that the aggregate
25 number of full-time employees of the Judicial Branch of State
26 government eligible to participate in the New Jersey State Health
27 Benefits Program of the State of New Jersey, other than Justices of
28 the Supreme Court, Judges of the Superior Court, Judges of a
29 Municipal Court, and employees of a Municipal court, who are on
30 the payroll as of the final pay period of Fiscal Year 2009 shall not
31 exceed the number of such employees on the payroll as of April 1,
32 2008, less 90 percent of the number of employees who elect to
33 retire and receive a benefit pursuant to section 1 of P.L. ,
34 c. (pending before the Legislature as this bill). For Fiscal Year
35 2010 and every year thereafter, the number of such employees shall
36 not exceed the number of such employees on the payroll as of the
37 final pay period of April 1, 2008, less 90 percent of the number of
38 employees who elect to retire and receive a benefit pursuant to
39 section 1 of P.L. , c. (pending before the Legislature as this bill).
40 The cap established pursuant to this section shall not be exceeded
41 unless specifically authorized by law.

42

43 4. This act shall take effect immediately.

STATEMENT

This bill provides additional retirement benefits to eligible State employees in the Executive Branch of State government and eligible Judiciary employees in the Judicial Branch of State government who apply to retire on or after March 1, 2008 but by July 15, 2008 and retire by August 1, 2008.

An eligible State employee or an eligible Judiciary employee who is at least 58 years of age and has at least 25 years of service credit under the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF) will receive an additional three years of service credit. An employee who is at least 58 years of age and has at least 25 years of service credit and retires on a veteran's retirement under the PERS or the TPAF will receive an additional pension in the amount of 3/55 of the compensation upon which the retirement allowance is based.

For an eligible State employee, but not an eligible Judiciary employee, who is at least 60 years of age and has at least 20, but less than 25, years of service credit under the PERS or the TPAF, the retirement system will pay the premium or periodic charges for health care benefits provided to the retired State employee and the employee's dependents, but not including survivors, under the State Health Benefits Program, in the same manner provided for State payment of premiums or periodic charges for a retired State employee with 25 or more years of service credit under current law and in the same manner provided for State payment of premiums or periodic charges for a qualified retiree from the TPAF under current law.

An eligible State employee, but not an eligible Judiciary employee, who is at least 60 years of age and has at least 10, but less than 20, years of service credit under the PERS or the TPAF will receive an additional pension of \$500 a month for 24 months following the date of retirement.

To receive these benefits, an eligible State employee or an eligible Judiciary employee must submit an application for retirement on or after March 1, 2008 but by July 15, 2008 and retire no later than August 1, 2008. An application submitted by an eligible State employee or an eligible Judiciary employee for retirement within the time period set to receive the benefits provided will be irrevocable seven days after submission.

An "eligible State employee" means a full-time employee of the Executive Branch of State government eligible to participate in the New Jersey State Health Benefits Program of the State of New Jersey, but not including an employee of the Department of Human Services, Department of Military and Veterans' Affairs, Department of Corrections, Juvenile Justice Commission in but not of the Department of Law and Public Safety, Office of the Public

1 Defender in but not of the Department of the Treasury, and
2 Department of Children and Families.

3 The term does not include an employee of Rutgers, The State
4 University; the New Jersey Institute of Technology; the University
5 of Medicine and Dentistry of New Jersey; or a State college or
6 university.

7 The term does not include an employee of a public authority,
8 board, commission, corporation, or other agency or instrumentality
9 of the State allocated in, but not of, a principal department of State
10 government pursuant to Article V, Section IV, paragraph 1 of the
11 New Jersey Constitution, authorized to participate in the Public
12 Employees' Retirement System under section 73 of P.L.1954, c.84
13 (C.43:15A-73) or P.L.1990, c.25 (C.43:15A-73.2 et seq.), or an
14 employee of a public agency or organization as defined in section
15 71 of P.L.1954, c.84 (C.43:15A-71), or a person participating in the
16 Public Employees' Retirement System under the provisions of
17 P.L.1972, c.167 (C.43:15A-135 et seq.), P.L.2001, c. 259
18 (C.43:15A-142 et seq.), P.L.2001, c.366 (C.43:15A-155 et seq.) or
19 P.L.1953, c.202 (C.32:23-1 et seq.).

20 "Eligible Judiciary employee" means a full-time employee of the
21 Judicial branch of State Government eligible to participate in the
22 New Jersey State Health Benefits Program of the State of New
23 Jersey. The term does not include a Justice of the Supreme Court,
24 or a Judge of the Superior Court, or a Judge of a Municipal Court or
25 an employee of a Municipal Court.

26 An eligible State employee who retires and receives a benefit
27 will not be eligible for appointment to, or employment in, any
28 position or capacity in the Executive Branch of State government
29 for a period of three years following the effective date of
30 retirement. An eligible State employee who retires and receives a
31 benefit will be barred from being awarded any contract for
32 professional services by the Executive Branch of State government,
33 or from performing professional services for the State as part of a
34 contract awarded to a third party by the Executive Branch of State
35 government, for a period of three years following the effective date
36 of retirement.

37 An eligible Judiciary employee who retires and receives a benefit
38 pursuant to this section will not be eligible for appointment to, or
39 employment in, any position or capacity in the Judicial Branch of
40 State Government for a period of three years following the effective
41 date of retirement. An eligible Judiciary employee who retires and
42 receives a benefit will be barred from being awarded any contract
43 for professional services by the Judicial Branch of State
44 Government, or from performing professional services for the State
45 as part of a contract awarded to a third party by the Judicial Branch
46 of State Government, for a period of three years following the
47 effective date of retirement.

1 When the needs of the Executive Branch of State government
2 require the services of an employee who elects to retire and receive
3 a benefit, a State department may delay the effective date of
4 retirement of the employee until the first day of any calendar month
5 after August 1, 2008, but not later than July 1, 2009. For each such
6 delayed retirement, the State department must request the approval
7 of the State Treasurer by submitting in writing an explanation of the
8 needs of the department, the services required of the employee, and
9 the reasons why that particular employee's services are so essential
10 as to necessitate a delay. The delay will be effective only upon
11 approval of the request by the State Treasurer. A request by an
12 eligible State employee for a delay in the effective date of
13 retirement, whether the employee provides reasons for the delay or
14 not, will not be considered by the State Treasurer unless the State
15 department submits a request for a delay to the State Treasurer with
16 the explanation described above.

17 When the needs of the Judicial Branch of State Government
18 require the services of an employee who elects to retire and receive
19 a benefit, the Judiciary may delay the effective date of retirement of
20 the employee until the first day of any calendar month after August
21 1, 2008, but not later than July 1, 2009, pursuant to protocols to be
22 issued by the Chief Justice of the Supreme Court.

23 An eligible State employee or an eligible Judiciary employee
24 who applies to retire and receive the benefits will be deemed to
25 consent, by that application, to a delay in the employee's effective
26 date of retirement with regard to an eligible state employee, if the
27 State department requests and receives approval for such a delay or,
28 with regard to an eligible Judiciary employee, if the Chief Justice
29 determines that such a delay is appropriate. Such an employee's
30 receipt of the benefits provided by this bill will be conditioned upon
31 faithful performance of service by the employee during the period
32 of delay.

33 A request by an eligible State employee or an eligible Judiciary
34 employee for a delay in the effective date of retirement, whether the
35 employee provides reasons for the delay or not, will not be
36 sufficient reason to approve a delay.

37 The Division of Pensions and Benefits in the Department of
38 Treasury will report in writing to the Joint Budget Oversight
39 Committee beginning on August 15, 2008, and annually thereafter
40 on or before August 15, through 2014, on the results of the
41 additional retirement benefits provided.

42 In addition, this bill establishes a Workforce Reduction Planning
43 Board composed of five members: the State Treasurer; the Director
44 of the Division of Budget and Accounting in the Department of the
45 Treasury; either the chair of the Merit System Board or its
46 successor overseeing civil service matters for the State, or a person
47 designated by the Governor; and two persons designated by the
48 Governor. Not later than July 30, 2008, the State Treasurer will

1 certify to the board the number of full-time employees, excluding
2 seasonal employees and employees of independent authorities,
3 employed by each department of the Executive Branch of State
4 government as of the final pay period in Fiscal Year 2008. Within
5 60 days of that certification by the State Treasurer, the board will
6 establish for each department the maximum number of employees
7 that will be permitted to be on each department's payroll as of the
8 final pay period of Fiscal Year 2009. The aggregate number of
9 employees that will be permitted to be on the payroll for all
10 departments as of the final pay period of Fiscal Year 2009 will not
11 exceed the number of employees certified by the State Treasurer to
12 be on the payroll as of the final pay period of Fiscal Year 2008, less
13 90 percent of the number of employees who elect to retire and
14 receive a benefit under the bill. For Fiscal Year 2010 and every
15 year thereafter, the number of employees, in total for all
16 departments in the Executive Branch of State government, will not
17 exceed the number of employees certified by the State Treasurer to
18 be on the payroll as of the final pay period of Fiscal Year 2008, less
19 90 percent of the number of employees who elect to retire and
20 receive a benefit under the bill. The cap established pursuant to this
21 section cannot be exceeded unless specifically authorized by law.

22 Within 60 days of the receipt of its maximum employee count
23 from the board, each department will prepare and submit to the
24 board a plan demonstrating how the department intends to achieve
25 its maximum employee count. The board will review and approve,
26 or modify and approve, each departmental workforce reduction plan
27 within 30 days of its submittal.

28 The board will submit detailed quarterly reports of its activities
29 to the Joint Budget Oversight Committee and the Governor.

30 The board will monitor implementation of each departmental
31 workforce reduction plan and departmental compliance with the cap
32 established. Each department will fully cooperate with the board in
33 monitoring implementation of the plan, and will provide the board
34 with such information as may be requested by the board.

35 The Chief Justice of the Supreme Court will establish policies
36 and procedures to ensure that the aggregate number of full-time
37 employees of the Judicial Branch of State government eligible to
38 participate in the New Jersey State Health Benefits Program of the
39 State of New Jersey, other than Justices of the Supreme Court,
40 Judges of the Superior Court, Judges of a Municipal Court, and
41 employees of a Municipal Court, who are on the payroll as of the
42 final pay period of Fiscal Year 2009 will not exceed the number of
43 such employees on the payroll as of April 1, 2008, less 90 percent
44 of the number of employees who elect to retire and receive a benefit
45 under the bill. For Fiscal Year 2010 and every year thereafter, the
46 number of such employees will not exceed the number of such
47 employees on the payroll as of the final pay period of April 1, 2008,
48 less 90 percent of the number of employees who elect to retire and

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- 1 receive a benefit under the bill. The cap established will not be
- 2 exceeded unless specifically authorized by law.