

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4882

STATE OF NEW JERSEY

DATED: MAY 20, 2019

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4882 (1R).

Assembly Bill No. 4882 (1R) provides that a member or retirant of the Police and Firemen's Retirement System (PFRS) or the State Police Retirement System (SPRS) is eligible to receive an accidental disability retirement allowance for a permanent and total disability resulting from participation in 9/11 World Trade Center rescue, recovery, or cleanup operations.

The bill provides that permanent and total disability resulting from a qualifying condition or impairment of health will be presumed to have occurred during and as a result of the performance of a member's regular or assigned duties and not the result of the member's willful negligence, unless the contrary can be proved by competent evidence, if the member participated in World Trade Center rescue, recovery, or cleanup operations for a minimum of eight hours. The presumption is available whether or not the member was under orders or instruction by an employer to participate.

The bill, as amended, also permits a member who did not participate in those operations for a minimum of eight hours to be eligible for the presumption provided that:

the member participated in the rescue, recovery, or cleanup operations at the World Trade Center site between September 11, 2001 and September 12, 2001;

the member sustained a documented physical injury at the World Trade Center site between September 11, 2001 and September 12, 2001 that is a qualifying condition or impairment of health resulting in a disability to the member that prevented the member from continuing to participate for a minimum of eight hours; and

the injury that resulted in a disability that prevented the member from continuing to participate for a minimum of eight hours is the qualifying condition or impairment of health for which the member is seeking a presumption.

In order to be eligible for the presumption a member must have successfully passed a physical examination for entry into public service which failed to disclose evidence of the qualifying condition or impairment of health.

The bill also provides for a reclassification of a retirant's retirement from a service retirement or an ordinary disability retirement to an accidental disability retirement if the retirant, while a member of the retirement system, participated in the World Trade Center rescue, recovery, or cleanup operations a minimum of eight hours and incurred a disability in retirement caused by a qualifying condition or impairment of health which the medical board determines to be caused by the member's participation in World Trade Center rescue, recovery or cleanup operations.

The recalculation of the benefit is for benefit payments on or after the date of the application, provided the member filed an application for recalculation within 30 days of the date that the member knew or should have known of the existence of the disability and its relation to the rescue, recovery, or cleanup operations. In order to be eligible for the recalculation, the member is required to have successfully passed a physical examination for entry into public service which failed to disclose evidence of the qualifying condition or impairment of health that formed the basis for the disability.

The bill requires the board of trustees to promulgate rules and regulations and to notify members and retirants in the retirement system of the enactment of this bill within 30 days of enactment.

In order to be eligible for the presumption or recalculation under the bill, the member is to file, within two years of the effective date of this act, a written and sworn statement with the retirement system on a form provided by the board of trustees indicating the dates and locations of service.

The bill delineates the diseases that qualify as a qualifying condition or impairment of health and defines "World Trade Center rescue, recovery, or cleanup operations" to mean the rescue, recovery, or cleanup operations at the World Trade Center site between September 11, 2001 and October 11, 2001. The bill also defines "World Trade Center site" to mean any location below a line starting from the Hudson River and Canal Street, east on Canal Street to Pike Street, south on Pike Street to the East River, and extending to the lower tip of Manhattan.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill would result in an increase in the liabilities of the PFRS and the SPRS by an indeterminate amount. The increase cannot be determined because the number of individuals who would qualify for the benefit provided is not known. Increased liabilities will result in an increase in annual employer contributions. In the case of the PFRS, those increases will be paid by the State, local governments, or both. In the case of the SPRS, those increases will be paid by the State.