

[First Reprint]

SENATE, No. 3871

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED JUNE 3, 2019

Sponsored by:

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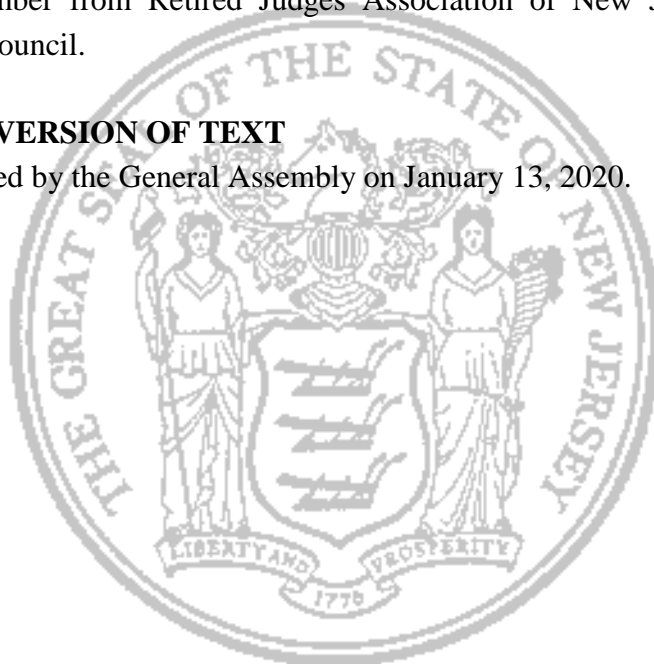
Senator Diegnan

SYNOPSIS

Adds member from Retired Judges Association of New Jersey to State Investment Council.

CURRENT VERSION OF TEXT

As amended by the General Assembly on January 13, 2020.



(Sponsorship Updated As Of: 1/14/2020)

1 AN ACT concerning the membership of the State Investment
2 Council and amending P.L.1950, c.270.

3

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

6

7 1. Section 5 of P.L.1950, c.270 (C.52:18A-83) is amended to read
8 as follows:

9 5. a. There is hereby established in the Division of Investment a
10 State Investment Council which shall consist of **[15]** 16 members.

11 (1) Each of the following agencies, namely, the Board of Trustees
12 of the Public Employees' Retirement System, and the Board of
13 Trustees of the Teachers' Pension and Annuity Fund, shall designate
14 one board member elected to serve on the board, to serve as a member
15 of the State Investment Council herein established. The Chief Justice
16 of the New Jersey Supreme Court shall designate one **'[board]'**
17 member of the **'[Board of Trustees of the Judicial Retirement System]**
18 Retired Judges Association of New Jersey¹ to serve as a member of
19 the State Investment Council herein established. The **[two]** three
20 members of the council so designated shall serve as such for a period
21 of three years from the date of their designation and until their
22 respective successors are in like manner designated.

23 (2) Eight of the members of the State Investment Council shall be
24 appointed by the Governor, with the advice and consent of the Senate,
25 for a term of five years and shall serve until the member's successor is
26 appointed and has qualified. Of the initial members appointed
27 following the effective date of P.L.2011, c.78, one shall serve for an
28 initial period of three years, and one shall serve for an initial period of
29 two years.

30 (3) One member of the State Investment Council shall be
31 appointed by the Governor from among three persons nominated
32 jointly by the President of the Senate and the Speaker of the General
33 Assembly and shall serve for a term of five years and until the
34 member's successor is appointed and has qualified.

35 (4) Two members of the State Investment Council shall be
36 appointed by the Governor from among six persons nominated by the
37 Public Employee Committee of the New Jersey State AFL-CIO and
38 shall serve for a term of five years and until the member's successor is
39 appointed and has qualified. If the persons nominated are not
40 acceptable to the Governor for appointment, the Governor may request
41 submission of new nominees.

42 (5) One member of the State Investment Council shall be
43 appointed by the Governor from among three persons nominated by
44 the New Jersey Education Association and shall serve for a term of

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined **thus** is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly floor amendments adopted January 13, 2020.

1 three years and until the member's successor is appointed and has
2 qualified. If the persons nominated are not acceptable to the Governor
3 for appointment, the Governor may request submission of new
4 nominees.

5 (6) One member of the State Investment Council shall be
6 appointed by the Governor from among three persons nominated by
7 the State Troopers Fraternal Association and shall serve for a term of
8 three years and until the member's successor is appointed and has
9 qualified. If the persons nominated are not acceptable to the Governor
10 for appointment, the Governor may request submission of new
11 nominees.

12 The four members appointed pursuant to paragraphs (4), (5) and
13 (6) of this subsection by the Governor to the council shall be qualified
14 by training, experience or long-term interest in the direct management,
15 analysis, supervision or investment of assets, and this training,
16 experience or long-term interest shall have been supplemented by
17 academic training in the fields of economics, business, law, finance or
18 actuarial science or by actual employment in those fields.

19 At least seven of the nine members appointed pursuant to
20 paragraphs (2) and (3) of this subsection by the Governor to the
21 council shall be qualified by training and experience in the direct
22 management, analysis, supervision or investment of assets, which
23 training and experience shall have been acquired through academic
24 training or through actual employment in those fields.

25 b. No member of the State Investment Council shall hold any
26 office, position or employment in any political party nor shall any such
27 member benefit directly or indirectly from any transaction made by the
28 Director of the Division of Investment provided for herein.

29 The members of the council shall elect annually from their number
30 a chairman of such council. Any member of the council so elected
31 shall serve as such chairman for a term of one year and until a
32 successor is, in like manner, elected. The chairman of the council shall
33 be its presiding officer.

34 The members of the council shall serve without compensation but
35 shall be reimbursed for necessary expenses incurred in the
36 performance of their duties as approved by the chairman of the
37 council. The members of the council shall be required to file the same
38 annual financial disclosure statements as those required to be filed by
39 members of other State boards and commissions who are not
40 compensated for their services, as such statements shall be required by
41 law or executive order of the Governor. The financial disclosure
42 statements of council members shall be made available to the public in
43 the same manner as the statements of members of other State boards
44 and commissions are made available to the public.

45 Each member of the council, except the member appointed from
46 among persons nominated by the President of the Senate and the
47 Speaker of the General Assembly, may be removed from office by the
48 Governor, for cause, upon notice and opportunity to be heard at a

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1 public hearing. Any vacancy in the membership of the council
2 occurring other than by expiration of term shall be filled in the same
3 manner as the original appointment, but for the unexpired term only.

4 c. The terms of the members of the council serving pursuant to
5 paragraph (1) of subsection a. of this section and serving on the
6 effective date of P.L.2011, c.78 are terminated as of that effective date.
7 A member terminated pursuant to this subsection shall be eligible for
8 reappointment.

9 (cf: P.L.2018, c.55, s.40)

10

11 2. This act shall take effect immediately.