

ASSEMBLY, No. 2013

STATE OF NEW JERSEY

INTRODUCED MAY 13, 1996

By Assemblywoman TURNER

1 AN ACT concerning investigations into certain permanent reductions  
2 of jobs and supplementing Title 52 of the Revised Statutes.

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

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7 1. The Director of the Division of Investment in the Department of  
8 the Treasury shall investigate any anticipated or actual permanent  
9 reduction by a corporation of 350 or more jobs in the State of New  
10 Jersey and may investigate any anticipated or actual permanent  
11 reduction by a corporation of 2,500 or more jobs in the region of  
12 which the State is a part or 15,000 or more jobs in the United States.  
13 In conducting the investigation, the director may consult with, and use  
14 information provided by, any national, state or local public or private  
15 agency or organization, including a labor organization, deemed  
16 appropriate by the director. The purpose of the investigation shall be  
17 to determine if the reduction will have significant adverse effects on  
18 the long-range viability of the corporation or significant adverse  
19 effects on the State, regional or national economy, including adverse  
20 effects related to reduced wages and benefits for workers, reduced  
21 public revenues needed for public services and infrastructure and  
22 weakened environmental and other public standards. Upon a  
23 determination that the reduction will cause significant adverse effects  
24 on the corporation or the economy, the director shall, notwithstanding  
25 any law, rule or regulation to the contrary, take any of the following  
26 actions which the director determines has a reasonable likelihood of  
27 minimizing or deterring the reduction or subsequent reductions of  
28 jobs:

29 a. Publicize the determination;

30 b. Initiate or support shareholder petitions or initiatives which may,  
31 directly or indirectly, have an impact on the reduction or subsequent  
32 reductions, including petitions or initiatives concerning corporate  
33 governance and the selection of corporate officers;

34 c. Sell, redeem, divest or withdraw investments from the  
35 corporation of all assets of any pension or annuity fund under the  
36 jurisdiction of the Division of Investment in the Department of the  
37 Treasury; or

1 d. Initiate and support efforts to get other investors, including  
2 multi-employer private pension funds, public employee pension funds  
3 in other states and other institutional investors, to sell, redeem, divest  
4 or withdraw investments of their assets from the corporation.

5 The director shall take actions only against corporations which the  
6 director determines are likely to be influenced by the actions and shall  
7 select the actions which have the greatest likelihood of minimizing or  
8 deterring the reduction or subsequent reductions.

9 For the purposes of this section, "the region of which the State is  
10 a part" means the region consisting of Maryland, Delaware,  
11 Pennsylvania, New Jersey, New York, Connecticut, Rhode Island,  
12 Massachusetts, Vermont, New Hampshire and Maine.

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14 2. The director shall, not later than 12 months after the effective  
15 date of this act and not less than once during each 12-month period  
16 thereafter, issue to the Governor and the Legislature a report which  
17 shall include the results of each investigation conducted pursuant to  
18 section 1 of this act and a description of each action taken pursuant to  
19 that section and the effects of the action.

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21 3. This act shall take effect immediately.

## 22 23 24 STATEMENT

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26 This bill requires the Director of the Division of Investment to  
27 investigate any major anticipated or actual permanent reduction by a  
28 corporation of jobs in New Jersey and permits the director to  
29 investigate any major reduction by a corporation of jobs in the region  
30 or the nation. The director may consult with, and use information  
31 provided by, any national, state or local public or private agency or  
32 organization. The purpose of the investigation is to determine if the  
33 reduction will have significant adverse effects on the long-range  
34 viability of the corporation or significant adverse effects on the State,  
35 regional or national economy, including adverse effects related to  
36 reduced wages and benefits for workers, reduced public revenues  
37 needed for public services and infrastructure and weakened  
38 environmental and other public standards. If it is determined that the  
39 reduction will cause significant adverse effects on the corporation or  
40 the economy, the director is required to take any of the following  
41 actions which have a reasonable likelihood of minimizing or deterring  
42 the reduction or subsequent reductions:

43 1. Publicize the determination;

44 2. Initiate or support shareholder petitions or initiatives which may  
45 have a direct or indirect impact on the reduction or subsequent  
46 reductions;

1       3. Sell, redeem, divest or withdraw investments from the  
2 corporation of all assets of any pension or annuity fund under the  
3 jurisdiction of the Division of Investment; or

4       4. Initiate and support efforts to get other investors, including  
5 other institutional investors, to sell, redeem, divest or withdraw  
6 investments of their assets from the corporation.

7       The director is directed to take actions only against corporations  
8 which are likely to be influenced by the actions and select the actions  
9 with the greatest likely effectiveness.

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14       Concerns investigation of permanent reductions of jobs.