

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2555

STATE OF NEW JERSEY

DATED: DECEMBER 16, 1996

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2555.

Assembly Bill No. 2555 permits a local unit to adopt an ordinance authorizing special emergency appropriations for the payment of contractually required severance liabilities resulting from a layoff of employees, when the total liability is in excess of 10 per cent of the amount to be raised by taxes for municipal purposes in the fiscal year in which the layoffs take place. The effect of this bill is to permit such an appropriation to be spread over several years, rather than in a single budget year, which could create a situation of fiscal distress in a local government unit.

Under the provisions of the bill, this legislation would be retroactive to December 1, 1996.

FISCAL IMPACT:

The bill was not certified as needing a fiscal note. The effect of this bill is to permit such an appropriation to be spread over several years, rather than in a single budget year, which could create a situation of fiscal distress in a local government unit.