

ASSEMBLY CONCURRENT RESOLUTION No. 75

STATE OF NEW JERSEY

INTRODUCED MAY 13, 1996

By Assemblywoman BUONO, Assemblymen DORIA, Gusciora,
Assemblywomen Turner, Friscia and Assemblyman Barnes

1 A CONCURRENT RESOLUTION proposing to amend Article VII, Section I of
2 the Constitution of the State of New Jersey by adding a new paragraph 7
3 thereto.

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5 BE IT RESOLVED by the General Assembly of the State of New Jersey
6 (the Senate concurring):

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8 1. Amend Article VII, Section I of the State Constitution by adding thereto
9 a new paragraph 7 to read as follows:

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11 PROPOSED AMENDMENT

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13 7. The right of a public officer or employee to a benefit under a public
14 pension fund or retirement system established under the laws of this State,
15 which right shall have accrued on the basis of public service rendered by the
16 officer or employee, is a contractual right arising from the service so rendered,
17 and no law shall diminish or impair such a right without the consent of the
18 officer or employee. Each such public pension fund or retirement system shall
19 be funded on an actuarial reserve basis, and the actuarial soundness of those
20 funds and systems shall be maintained. To ensure the actuarial soundness of
21 those public pension funds and retirement systems, a board of trustees for
22 each such fund or system shall have exclusive fiduciary responsibility for the
23 operation and management of the fund or system, including the authority to
24 obtain, and the financial resources necessary to pay the cost of, any actuarial
25 or legal services necessary to evaluate and monitor the funding status and
26 financial needs of the fund or system.

27 2. When this proposed amendment to the Constitution is finally agreed to
28 pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted
29 to the people at the next general election occurring more than three months
30 after the final agreement and shall be published at least once in at least one
31 newspaper of each county designated by the President of the Senate, the
32 Speaker of the General Assembly and the Secretary of State, not less than
33 three months prior to the general election.

34 3. This proposed amendment to the Constitution shall be submitted to the

1 people at that election in the following manner and form:

2 There shall be printed on each official ballot to be used at the general
3 election, the following:

4 a. In every municipality in which voting machines are not used, a legend
5 which shall immediately precede the question, as follows:

6 If you favor the proposition printed below make a cross (X), plus (+) or
7 check (T) in the square opposite the word 'Yes.' If you are opposed thereto
8 make a cross (X), plus (+) or check (T) in the square opposite the word 'No.'

9 In every municipality the following question:
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| 11 12 13 14 15 16 17 18 19 20 21 | YES | <p style="text-align: center;">CONSTITUTIONAL AMENDMENT TO PROTECT PUBLIC EMPLOYEES' RIGHT TO PENSION BENEFITS EARNED</p> <p>Shall the amendment to Article VII, Sec. I of the Constitution, agreed to by the Legislature, to preserve employees' rights to earned benefits under New Jersey's public pension funds and provide for sound and independent management of those funds, be approved?</p> |
| 22 23 24 25 26 27 28 29 30 31 32 33 34 35 | NO | <p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>This constitutional amendment provides that a public employee's right to pension benefits earned through past service is contractual and may not be diminished or impaired without the consent of the employee. The amendment requires each of New Jersey's public pension funds to be funded on an actuarially sound basis and to be managed by independent trustees able to evaluate and monitor the funding status and financial needs of the fund.</p> |

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STATEMENT

40 This proposed constitutional amendment provides that the right of a public
41 officer or employee to a benefit under a New Jersey public pension fund or
42 retirement system, which right shall have accrued on the basis of public service
43 rendered by the officer or employee, is a contractual right arising from the
44 service, and that no law shall diminish or impair such a right without the
45 consent of the officer or employee. Under the proposed amendment, each
46 such public pension fund or retirement system is to be funded on an actuarial
47 reserve basis. To ensure their actuarial soundness, a board of trustees for
48 each of these public funds and systems is to have (1) exclusive fiduciary

1 responsibility for the operation and management of the fund or system, and (2)
2 the authority and financial resources required to secure any actuarial or legal
3 services necessary to evaluate and monitor the funding status and financial
4 needs of the fund or system.

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9 Proposes amendment to State Constitution to preserve employees' rights to
10 earned benefits under N.J. public pension funds and provide for sound and
11 independent management of such funds.