

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 842

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 20, 1996

The Senate State Government Committee reports favorably and with committee amendments Senate Bill No. 842.

This bill allows a public employer to levy a judgment for restitution of illegally obtained funds against a convicted public employee's retirement allowance from or pension contributions to any of the principal State-administered retirement systems.

Under current law, the right of a public employee to a pension, an annuity, or a retirement allowance or to the return of contributions from the Teachers' Pension and Annuity Fund, the Judicial Retirement System, the Public Employees' Retirement System, the Police and Firemen's Retirement System or the State Police Retirement System is exempt from levy and sale, garnishment, attachment or any other process arising out of any State or Federal court.

Under the bill, the State or other public employer shall be entitled to an order of garnishment against the withdrawal of any contributions by, or the payment of a retirement allowance to, a retirement system member or beneficiary in the amount of a money judgment obtained by the employer and rendered against that member if convicted of an offense under the provisions of chapter 27 of Title 2C of the New Jersey Statutes (concerning bribery and corrupt influence), or any other offense involving a theft or misuse of public funds, or any attempt or conspiracy to commit any such offense. The judgment may include the cost of prosecution as well as the amount of restitution ordered.

COMMITTEE AMENDMENTS

The committee amended the bill to provide that the State or other public employer shall be entitled to an order of garnishment against the withdrawal of any contributions by, or the payment of a retirement allowance to, a retirement system member or beneficiary in the amount of a money judgment obtained by the employer and rendered against that member.