

# ASSEMBLY, No. 5210

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 4, 2021

**Sponsored by:**

**Assemblyman JOHN J. BURZICHELLI**

**District 3 (Cumberland, Gloucester and Salem)**

**SYNOPSIS**

Revises composition and certain functions of New Jersey State Firemen's Home.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/5/2021)

A5210 BURZICHELLI

2

1 AN ACT concerning the New Jersey Firemen's Home and  
2 supplementing and amending various sections of the statutory  
3 law and repealing R.S.54:18-8.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. R.S.30:7-1 is amended to read as follows:

9 30:7-1. The board of managers of the New Jersey Firemen's  
10 Home, notwithstanding the provisions of any other law to the  
11 contrary, shall consist of the president of the New Jersey State  
12 Firemen's Association, the Governor of the State, the State  
13 Commissioner of Banking and Insurance and the State Comptroller,  
14 and one member elected from each county of the State **[and one**  
15 **additional member who shall be a fully paid fireman, elected from**  
16 **each of the counties of Essex and Hudson]**. The **[president of the**  
17 **firemen's association, the]** Governor, the Commissioner of Banking  
18 and Insurance and the State Comptroller, respectively, for the time  
19 being, shall be ex-officio members of the board of managers.

20 **[The elected members shall be elected by New Jersey State**  
21 **Firemen's Association in annual convention assembled. They]** The  
22 members from each county shall be firemen who submit  
23 applications from their respective county, have served in the fire  
24 service for a minimum of five years, and are in good standing. Upon  
25 application, the board of managers shall vote upon the appointment  
26 of county applicants at the annual September meeting of the board  
27 of managers.

28 The managers shall hold office for a term of four years from the  
29 **[first day]** second Saturday of October next succeeding their  
30 election and until their successors are elected **[and qualify]** at the  
31 annual reorganization meeting of managers.

32 A vacancy occurring among **[the elected members]** the  
33 managers other than by expiration of a term shall be filled **[as**  
34 **follows: The president of the]** by appointment of the chairman of  
35 the board of managers of the New Jersey State Firemen's  
36 **[Association shall appoint]** Home from the county in which the  
37 vacancy occurred **[a]** . The successor **[to]** shall serve **[until the**  
38 **first day of October next succeeding the appointment and at the next**  
39 **annual meeting of the association there shall be elected from the**  
40 **county in which the vacancy occurred a member to serve for]** the  
41 balance of the unexpired term.

42 The members shall receive no compensation for their service but  
43 may be reimbursed their actual expenses in connection with their  
44 duties as managers from the funds of the home.

45 (cf: P.L.2000, c.149, s.1)

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.

1       2. (New section) The New Jersey Firemen's Home shall have  
2 the authority to:

3       a. purchase, construct, lease and operate a licensed long-term  
4 residential care facility; and

5       b. borrow money and secure the same by mortgage upon any  
6 property held or to be held by it, subject to the approval of the  
7 Governor, for capital improvements, including the construction of a  
8 new facility or an additional wing of an existing facility.

9  
10       3. R.S.54:18-1 is amended to read as follows:

11       54:18-1. Each insurer, not organized under the laws of the State  
12 of New Jersey, which takes fire insurance risks on property in this  
13 State, shall on or before March 1 in each year, for the period during  
14 the 12 months ending December 31 of the preceding year, cause to  
15 be made to the State Treasurer **【of the New Jersey State Firemen's**  
16 **Association】**, on behalf of each municipality or fire district in this  
17 State, for any property on which the insurer has taken any fire  
18 insurance risk situate therein, a true return in writing, verified by  
19 the oath of an officer or representative of the insurer, showing the  
20 amount of all premiums received by or agreed to be paid to the  
21 insurer, for insurance underwritten by that insurer against loss or  
22 injury by fire upon real or personal property, except automobiles  
23 that are not stored for sale, including loss of use thereof in the  
24 municipality, or fire district. The return also shall contain the  
25 Insurance Services Office "ISO" numerical identification code **【or**  
26 **designation】** assigned **【by the New Jersey State Firemen's**  
27 **Association】** for **【such】** the municipality or fire district. The  
28 insurer shall, on or before March 1 of each year, pay to the State  
29 Treasurer **【of the New Jersey State Firemen's Association】** the sum  
30 of 2% upon the amount of all the premiums received or agreed to be  
31 paid during the 12 months ending December 31 of the preceding  
32 year.

33       If the insurer fails to comply herewith, and the failure is reported  
34 to the Commissioner of Banking and Insurance in writing, **【attested**  
35 **by the oath of the Treasurer of the New Jersey State Firemen's**  
36 **Association,】** then the commissioner shall forthwith revoke the  
37 certificate of authority issued to the insurer, and, until the  
38 provisions of this chapter have been complied with by the insurer, it  
39 shall not transact further business in this State.

40 (cf: P.L.1997, c.41, s.1)

41

42       4. R.S.54:18-2 is amended to read as follows:

43       54:18-2. If any person residing or having an office or place of  
44 business in this State, in the capacity either of agent, broker, or  
45 insurer shall effect, or cause to be effected, any insurance, or shall  
46 receive any application for the effecting of insurance upon property  
47 in any municipality or fire district in this State, and shall directly or

1 indirectly place the insurance or cause the same to be placed in an  
2 insurer not organized under the laws of this State, the agent, broker  
3 or insurer shall make a return to the State Treasurer **【of the New**  
4 **Jersey State Firemen's Association】** on behalf of the municipality or  
5 fire district in which the property is situate, as set forth in  
6 R.S.54:18-1, on or before March 1 in each year. The return shall  
7 contain an account, under oath, of all premiums received by such  
8 agent, broker or insurer, or by any other person for him, or agreed  
9 to be paid, during the 12 months ending December 31 of the  
10 preceding year, for insurance against loss or injury by fire upon real  
11 or personal property, except automobiles that are not stored for sale,  
12 including loss of use thereof in the municipality or fire district. The  
13 return also shall contain the Insurance Services Office "ISO"  
14 numerical identification code **【or designation assigned by the New**  
15 **Jersey State Firemen's Association】** of **【such】** the municipality or  
16 fire district. The agent, broker or insurer shall, on or before March  
17 1 of each year, pay to the State Treasurer **【of the New Jersey State**  
18 **Firemen's Association】** the sum of 2% upon the amount of all the  
19 premiums received or agreed to be paid as aforesaid within the 12  
20 months ending December 31 of the preceding year. The State  
21 Treasurer **【of the New Jersey State Firemen's Association】** shall  
22 allocate the tax monies received to the appropriate local firemen's  
23 relief association incorporated and affiliated with the State  
24 association, collected on behalf of the municipality or fire district  
25 under the control thereof, and to the Board of Managers of the New  
26 Jersey Firemen's Home. Any monies received, allocated or paid by  
27 any agent, broker or insurer pursuant to the provisions of this  
28 chapter on behalf of any municipality or fire district that does not  
29 have a local firemen's relief association affiliated with the New  
30 Jersey State Firemen's Association shall be allocated to the New  
31 Jersey Firemen's Home in accordance with the provisions of section  
32 7 of P.L.1997, c.41 (C.54:18-8).  
33 (cf: P.L.1997, c.41, s.2)  
34

35 5. R.S.54:18-3 is amended to read as follows:

36 54:18-3. Every agent, broker, or insurer residing or having an  
37 office or authorized or licensed to do business in this State shall  
38 make the return and payment as set forth in R.S.54:18-2 and shall  
39 keep accurate books of account of all business done by him. The  
40 agent, broker or insurer shall record the name of the insured, the  
41 date and expiration of the insurance, a description of the property  
42 insured, a statement of its location, including the Insurance Services  
43 Office "ISO" numerical identification code or designation of the  
44 municipality or fire district, the amount of the insurance and  
45 premiums paid therefor. If an agent, broker or insurer fails,  
46 neglects or refuses to comply with any provisions of this chapter, or  
47 if any fraud or dishonesty in the returns required pursuant to the

provisions of this chapter is apparent or becomes known, the State Treasurer **【of the New Jersey State Firemen's Association】**, on behalf of the municipality or fire district, may obtain from a judge of the Superior Court, in the county wherein the insured property is located, an order compelling the agent, broker or insurer to produce all books and records required to be kept by this chapter for an accounting and examination by the court.

(cf: P.L.1997, c.41, s.3)

6. R.S.54:18-4 is amended to read as follows:

54:18-4. Any such agent, broker or insurer who fails, neglects or refuses to keep books of account as required, or to produce them in the Superior Court upon an order of the court, or to make proper and accurate returns as hereinbefore provided, or to pay over the percentage due upon any premium as required, at the time and in the manner specified in this chapter, or who is found, upon examination by the court, to have made a false return of the business done by him, shall, for each offense, be guilty of a crime of the fourth degree and forfeit and pay the amount owed to the State Treasurer **【of the New Jersey State Firemen's Association】**.

(cf: P.L.1997, c.41, s.4)

7. R.S.54:18-5 is amended to read as follows:

54:18-5. If any such agent, broker or insurer fails, neglects or refuses to pay any percentage herein provided for, or to pay and satisfy any forfeiture or penalty adjudged to be due under the provisions of this chapter, and that fact is reported to the Commissioner of Banking and Insurance in writing, **【attested by the oath of the Treasurer of the New Jersey State Firemen's Association,】** the commissioner shall forthwith revoke any certificate of authority previously issued under which the failure has occurred. The revocation of a certificate shall not release any penalty or forfeiture previously incurred.

(cf: P.L.1997, c.41, s.5)

8. R.S.54:18-7 is amended to read as follows:

54:18-7. This chapter shall not alter or abridge any reciprocal legislation existing between different states of the United States, in regard to the percentage of taxes collected and received for this State. The amount of premiums paid by any insurance company pursuant to this chapter shall be deemed part of the reciprocal tax to be collected for this State. The Commissioner of Banking and Insurance, in consultation with the Treasurer of the State of New Jersey, shall enforce the provisions of this chapter **【and shall require the Treasurer of the New Jersey State Firemen's Association to provide a certified annual accounting of the monies received and allocated under the provisions of this chapter and R.S.43:17-1 et**

1 seq., and shall hold the treasurer and officers accountable and  
2 subject to the penalties provided herein】.

3 (cf: P.L.1997, c.41, s.6)

4  
5 9. (New section) All monies received from the two percent tax  
6 on fire insurance premiums paid by insurance companies not  
7 incorporated in this State on behalf of all municipalities or fire  
8 districts, regardless of whether the municipalities or fire districts  
9 have a duly incorporated local firemen's relief association affiliated  
10 with the New Jersey State Firemen's Association pursuant to  
11 R.S.43:17-1 et seq., shall first be dedicated to the New Jersey  
12 Firemen's Home in the amount of the full sum of its annual budget,  
13 as approved by the Governor. The State Treasurer shall remit  
14 monies to fund the annual budget of the New Jersey Firemen's  
15 Home on or before the first day in May of each year.

16 The balance of the funds shall be dedicated to and for the benefit  
17 of firemen throughout the State, as determined by the Governor.

18  
19 10. R.S.54:18-8 is repealed.

20  
21 11. This act shall take effect immediately.

#### 22 23 24 STATEMENT

25  
26 This bill revises certain procedures related to the management of  
27 the New Jersey Firemen's Home. The New Jersey Firemen's Home  
28 is the only licensed health care facility in this State that provides  
29 long term care and residential services exclusively for New Jersey  
30 firefighters.

31 The Fireman's Home is governed by a board of managers who,  
32 subject to the approval of the Governor, direct and control its  
33 property and concerns; make by-laws, rules, and regulations; and  
34 determine the compensation, duties, and term of service of its  
35 officers and employees. Under current law, the board of managers  
36 consists of the President of the New Jersey State Firemen's  
37 Association, the Governor of the State, the State Commissioner of  
38 Banking and Insurance and the State Comptroller, one member  
39 elected from each county, and one additional member who is a fully  
40 paid fireman, elected from Essex and Hudson counties. This bill  
41 removes from the board of managers the President of the New Jersey  
42 Fireman's Association and the additional members from Essex and  
43 Hudson counties. The bill also provides that the members from each  
44 county are to be firemen who submit applications from their  
45 respective county, have served in the fire service for a minimum of  
46 five years, and are in good standing. Upon application, the board of  
47 managers are to vote upon the appointment of county applicants at  
48 the annual September meeting of the board of managers.

1 In addition, the bill revises the procedures by which managers of  
2 the New Jersey Firemen's Home are elected and their vacancies are  
3 filled. Under current law, members are elected by the New Jersey  
4 Fireman's Association to serve four-year terms and membership  
5 vacancies are filled by the president of the New Jersey Firemen's  
6 Association. Under the bill, the managers are to be elected by the  
7 New Jersey Firemen's Home for four-year terms. Membership  
8 vacancies also would filled by the chairman of the board of  
9 managers to serve the balance of the unexpired term.

10 The bill also grants the New Jersey Firemen's Home the power  
11 and authority to purchase, construct, lease and operate a licensed  
12 long-term residential care facility. The New Jersey Firemen's Home  
13 also would have the authority to borrow money and secure a  
14 mortgage for capital improvements, including the construction of an  
15 additional facility or a new wing of an existing facility.

16 Under current law, R.S.43:17-1 et seq. provides for the  
17 establishment of a firemen's relief organization in any municipality  
18 where there are organized one or more fire companies. The purpose of  
19 the relief association is to establish and maintain a fund for the relief,  
20 support, or burial of indigent exempt firemen and their families. These  
21 local associations are funded by monies received from a two percent  
22 tax on the premiums of foreign and alien insurers transacting fire  
23 insurance in this State. The Treasurer of the New Jersey State  
24 Firemen's Association then distributes the tax monies to (1) each local  
25 firemen's relief association depending upon the amount of revenue  
26 derived the from insurance policies written in that municipality, and  
27 (2) the managers of the New Jersey Firemen's Home pursuant to the  
28 home's annual budget.

29 This bill requires these tax moneys to be paid to the State  
30 Treasurer, rather than the Treasurer of the New Jersey State Firemen's  
31 Association. The State Treasurer would then allocates the funds to  
32 cover the costs of the relief associations and New Jersey Firemen's  
33 Home.

34 Finally this bill repeals R.S.54:18-8, which requires a two percent  
35 tax on the premiums of fire insurance policies written by out-of-  
36 State insurance companies on New Jersey properties. This tax is  
37 currently paid to the New Jersey State Fireman's Association,  
38 which distributes a portion of the tax receipts to the New Jersey  
39 Firemen's Home based on the home's annual budget and distributes  
40 a portion to the local firemen's relief associations. The two percent  
41 tax that is paid by insurance companies on behalf of municipalities  
42 or fire districts which do not have a local firemen's relief  
43 association are dedicated to the New Jersey Firemen's Home. If  
44 there are not sufficient funds for the annual operating expenses of  
45 the New Jersey Firemen's Home, the Treasurer of the New Jersey  
46 State Fireman's Association is required to pay the difference. In  
47 addition, capital projects for the New Jersey State Firemen's Home

1 are required to be approved by the officers of the New Jersey State  
2 Fireman's Association.

3 Under the provisions of this bill, all monies received by the  
4 Treasurer of the State of New Jersey from the two percent tax paid  
5 by insurance companies not incorporated in this State on behalf of  
6 all municipalities or fire districts, regardless of whether the  
7 municipalities or fire districts have a local firemen's relief  
8 association, are required to first be dedicated to the New Jersey  
9 Firemen's Home in the full sum of the annual budget, as approved  
10 by the Governor. The State Treasurer is to remit monies to fund the  
11 annual budget of the New Jersey Firemen's Home on or before May  
12 1st of each year. The balance of the funds are required to be  
13 dedicated to and for the benefit of firefighters throughout the State,  
14 as determined by the Governor. In addition, the bill removes the  
15 requirement for the New Jersey State Fireman's Association to  
16 approve capital projects.

WITHDRAWN