

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 4250**  
**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

DATED: JANUARY 10, 2022

**SUMMARY**

**Synopsis:** Changes PERS membership eligibility for certain elected public officials and provides for PERS reenrollment.

**Type of Impact:** Expenditure increase.

**Agencies Affected:** Division of Pensions and Benefits, Department of the Treasury; local government entities.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1 and Thereafter</u></b>
<b>State Cost</b>	Indeterminate
<b>Local Cost</b>	Indeterminate

- The Office of Legislative Services (OLS) notes that there is insufficient information to assess and analyze the fiscal impact of this bill.

**BILL DESCRIPTION**

This bill changes membership eligibility for the Public Employees’ Retirement System (PERS) for certain elected public officials and provides for PERS reenrollment.

Under the bill, a person will be eligible to reenroll in PERS if the person:

- (1) was a member of PERS on July 1, 2007;
- (2) has 10 or more years of service credit in the PERS on the effective date of this bill;
- (3) was elected to public office, or selected to fill a vacancy in an elective public office, after July 1, 2007;
- (4) has at least 10 years of continuous service in one or more elective public offices of this State; and
- (5) holds an elective public office on the effective date of this bill.

This would not apply to a person who had a break in service of more than 60 days between the termination of the employment that made the person eligible to be a member of PERS and the commencement of service in the elective public office.

Under current law, a person who has been elected to public office after July 1, 2007 is required to participate in the Defined Contribution Retirement Program (DCRP).

Under the bill, as of the date of enrollment in the system, the elected official's participation, if any, in another State-administered retirement program on the basis of that elective public office would be suspended. The elected public official may elect to waive enrollment in the PERS by signing a form prepared by the division. The bill also provides that an elected public official eligible for enrollment in PERS under the bill may request, in writing, within 180 days of the bill's effective date that the official's enrollment in the system be made retroactive to the date of the elected official's assumption of the elective public office. The bill requires that any contributions to be paid to the PERS by the employee for the period of retroactive enrollment would be based on the compensation received for the elective public office held on the effective date of the bill.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS notes that there is insufficient information to assess and analyze the fiscal impact of this bill.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).