SENATE, No. 3107

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED JUNE 22, 2015

Sponsored by:
Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)
Senator LINDA R. GREENSTEIN
District 14 (Mercer and Middlesex)
Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)
Assemblyman TROY SINGLETON
District 7 (Burlington)

SYNOPSIS
Makes FY 2015 supplemental State appropriations totaling $300,000,000 for prepayment of portion of FY 2016 employer contributions to State-administered public employee defined benefit retirement systems.

CURRENT VERSION OF TEXT
As introduced.
A SUPPLEMENT to "An Act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 2015 and regulating the disbursement thereof," approved June 30, 2014 (P.L.2014, c.14).

BE IT ENACTED by the Senate and the General Assembly of the State of New Jersey:

1. In addition to the amounts appropriated under P.L.2014, c.14, the annual appropriations act for fiscal year 2015, there are appropriated out of the General Fund the following sums for the purposes specified:

94 INTERDEPARTMENTAL ACCOUNTS
70 Government Direction, Management, and Control
74 General Government Services
9410 Employee Benefits

DIRECT STATE SERVICES

<table>
<thead>
<tr>
<th>03-9410 Employee Benefits</th>
<th>$98,533,000</th>
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</thead>
<tbody>
<tr>
<td>Total Direct State Services Appropriation, Employee Benefits</td>
<td>$98,533,000</td>
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Direct State Services:

Special Purpose:

- 03 Public Employees’ Retirement System ($70,504,000)
- 03 Police and Firemen’s Retirement System .................. (15,793,000)
- 03 Police and Firemen’s Retirement System (P.L.1979, c.109) ........... (428,000)
- 03 State Police Retirement System ........ (8,095,000)
- 03 Judicial Retirement System ........ (3,271,000)
- 03 Teachers’ Pension and Annuity Fund .................. (442,000)

Notwithstanding the provisions of any other law or regulation to the contrary, the amounts appropriated hereinabove shall be deposited in the State-administered retirement systems and funds immediately upon enactment and shall be regarded as a prepayment of a portion of the State's required fiscal year 2016 contributions thereto pursuant to section 38 of P.L.2010, c.1 (C.43:3C-14).

GRANTS-IN-AID

<table>
<thead>
<tr>
<th>03-9410 Employee Benefits</th>
<th>$11,477,000</th>
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</thead>
<tbody>
<tr>
<td>Total Grants-in-Aid Appropriation, Employee Benefits</td>
<td>$11,477,000</td>
</tr>
</tbody>
</table>

Grants-in-Aid:

Special Purpose:

- 03 Public Employees’ Retirement System ($10,188,000)
- 03 Police and Firemen’s Retirement System .................. (1,196,000)
- 03 Teachers’ Pension and Annuity Fund .................. (93,000)
Notwithstanding the provisions of any other law or regulation to the contrary, the amounts
appropriated hereinabove shall be deposited in the State-administered retirement
systems and funds immediately upon enactment and shall be regarded as a
prepayment of a portion of the State's required fiscal year 2016 contributions thereto
pursuant to section 38 of P.L.2010, c.1 (C.43:3C-14).

Interdepartmental Accounts, Total State Appropriation $110,010,000

Total Appropriation, General Fund $110,010,000

2. In addition to the amounts appropriated under P.L.2014, c.14, the annual
appropriations act for fiscal year 2015, there are appropriated out of the
Property Tax Relief Fund the following sums for the purposes specified:

34 DEPARTMENT OF EDUCATION

30 Educational, Cultural, and Intellectual Development

34 Educational Support Services

STATE AID

39-5094 Teachers’ Pension and Annuity Assistance $176,375,000
Total State Aid Appropriation, Educational Support Services $176,375,000

(From Property Tax Relief Fund $176,375,000)

State Aid:

39 Teachers’ Pension and Annuity Fund (PTRF) ($176,375,000)

Notwithstanding the provisions of any other law or regulation to the contrary, the amount
appropriated hereinabove shall be deposited in the Teachers’ Pension and Annuity
Fund immediately upon enactment and shall be regarded as a prepayment of a portion
of the State's required fiscal year 2016 contributions thereto pursuant to section 38 of
P.L.2010, c.1 (C.43:3C-14).

Department of Education, Total State Appropriation $176,375,000

82 DEPARTMENT OF THE TREASURY

30 Educational, Cultural, and Intellectual Development

36 Higher Educational Services

STATE AID

48-2155 Aid to County Colleges $27,000
Total State Aid Appropriation, Higher Educational Services $27,000

(From Property Tax Relief Fund $27,000)

State Aid:

48 Employer Contributions – Teachers’ Pension and Annuity Fund (PTRF) ($27,000)

Notwithstanding the provisions of any other law or regulation to the contrary, the amount
appropriated hereinabove shall be deposited in the Teachers’ Pension and Annuity
Fund immediately upon enactment and shall be regarded as a prepayment of a portion
of the State's required fiscal year 2016 contributions thereto pursuant to section 38 of
P.L.2010, c.1 (C.43:3C-14).
STATE AID

35-2078 Police and Firemen’s Retirement System .......................... $13,588,000

Total State Aid Appropriation, State Subsidies and Financial Aid .......................... $13,588,000

(From Property Tax Relief Fund. $13,588,000)

State Aid:

35 Police and Firemen’s Retirement System (PTRF) .............................. ($7,973,000)

35 Police and Firemen’s Retirement System (P.L.1979, c.109) (PTRF) ........ (5,615,000)

Notwithstanding the provisions of any other law or regulation to the contrary, the amount appropriated hereinabove shall be deposited in the Police and Firemen’s Retirement System immediately upon enactment and shall be regarded as a prepayment of a portion of the State's required fiscal year 2016 contributions thereto pursuant to section 38 of P.L.2010, c.1 (C.43:3C-14).

Department of the Treasury, Total State Appropriation ........................ $13,615,000

Total Appropriation, Property Tax Relief Fund ............................. $189,990,000

Total Appropriation, All State Funds ................................. $300,000,000

3. This act shall take effect immediately.

STATEMENT

This bill makes FY 2015 supplemental State appropriations totaling $300,000,000 for additional employer contributions to the State-administered public employee defined benefit retirement systems. The moneys shall be deposited in the retirement systems immediately upon enactment and shall be regarded as a prepayment of a portion of the State's required FY 2016 employer contributions thereto. The $300,000,000 aggregates several Direct State Services, Grants-In-Aid, and State Aid appropriations to the Department of Education, Department of the Treasury, and Interdepartmental Accounts for State contributions to the Judicial Retirement System, Police and Firemen’s Retirement System, Public Employees’ Retirement System, State Police Retirement System, and the Teachers’ Pension and Annuity Fund.

The bill represents a down payment toward the statutorily required FY 2016 State contribution of $3.1 billion to the retirement systems, or 5/7 of the full actuarially determined annual required contribution under P.L.2010, c.1. The appropriation in FY 2015 ensures that the $300 million is invested immediately, rather than at the end of June 2016. Doing so allows for the earning of investment returns in FY 2016 on the appropriated amount.