

August 10, 2015

**SENATE BILL NO. 3100**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 3100 without my approval.

This bill would impose a new requirement that the State make contributions to the State-administered defined benefit pension systems each State fiscal year on a quarterly basis on the following schedule: at least 25 percent of the total annual pension payment by August 1; at least 50 percent by November 1; at least 75 percent by February 1; and at least 100 percent by May 1. The State-administered defined benefit pension systems are the Teachers' Pension and Annuity Fund, the Judicial Retirement System, the Prison Officers' Pension Fund, the Public Employees' Retirement System, the Consolidated Police and Firemen's Pension Fund, the Police and Firemen's Retirement System, and the State Police Retirement System.

This bill represents an improper and unwarranted intrusion upon the longstanding executive prerogative to determine the appropriate timing of State payments in order to match properly the timing of large annual expenditures with the timing of the actual receipt of State revenues. Historically, pension payments have been made, if at all, at the end of the fiscal year to avoid unnecessary intra-year borrowing. My administration has followed that same path after determining each year the most appropriate time to make those payments. Enacting new laws to compel specific payments on specific dates does nothing at all to repair or reform the fundamentally unsustainable pension and health benefits systems currently in place.

Accordingly, I am returning Senate Bill No. 3100 without my approval.

[seal]

Respectfully,  
/s/ Chris Christie  
Governor

Attest:

/s/ Thomas P. Scrivo  
Chief Counsel to the Governor