LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 2145

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JANUARY 14, 2026

SUMMARY

Synopsis:	Provides employment protections for paid first responders diagnosed with post-traumatic stress disorder under certain conditions.
Type of Impact:	Annual increase in State expenditures; potential annual local expenditure increase.
Agencies Affected:	Department of Labor and Workforce Development; Department of the Treasury – Division of Pensions and Benefits; State and local entities employing paid first responders.

Office of Legislative Services Estimate

Annual Fiscal Impact	
State Expenditure Increase	Indeterminate
Potential Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill would result in an indeterminate increase in annual State expenditures to the Division of Workers' Compensation to oversee civil actions that certain paid first responders are permitted to institute against their employer under the bill.

- The OLS further finds that the bill would result in an indeterminate increase in the expenditures of any State or local government entity that is found to be in violation of the bill by the Division of Workers' Compensation in the Department of Law and Public Safety as a result of financial penalties imposed by the division. Specific data concerning the number of cases that could be brought under a prior version of the bill were unavailable from the Administrative Office of the Courts when requested by the OLS. The number of successful civil actions and the extent of the penalties imposed in each case are unknown. Therefore, the amount of the State and local expenditure increase is indeterminate.

- The Division of Pensions and Benefits could incur additional annual costs as a result of increased use of healthcare services by government employees, as required for eligibility for certain employment protections established by the bill. Additionally, the Division of Workers' Compensation could incur additional annual costs as a result of orders required for eligibility for certain employment protections established by the bill.

BILL DESCRIPTION

This bill would prohibit an entity that employs paid first responders from discriminating or retaliating against an employee with respect to the compensation, terms, conditions, duties, or privileges of employment on the basis that the employee took or requested any leave related to a qualifying diagnosis of post-traumatic stress disorder.

The bill further requires that an employer reinstate an employee whose fitness to return to work has been documented by a mental health professional, as defined in the bill, following a period of leave related to a qualifying post-traumatic stress disorder diagnosis, to the position and duties held by the employee prior to the leave.

The bill would apply to post-traumatic stress disorder diagnoses that is: (1) memorialized in an order of a judge of the Division of Workers' Compensation; or (2) the result of an examination by a mental health professional who reports the diagnosis arose either as the result of a traumatic event during and within the scope of the performance of regular or assigned duty or of vicarious trauma as a result of the performance of regular or assigned duties.

The bill would permit an employee or former employee to institute a civil action in the Division of Workers' Compensation for relief upon a violation of the provisions of the bill. The bill provides the following relief that the court may order: (1) a civil fine of $5,000 for a first offense and $10,000 for a subsequent offense; (2) an injunction to restrain the continued violation; (3) reinstatement of the employee to the same or equivalent position; (4) reinstatement of full fringe benefits and seniority rights; (5) compensation for any lost wages, benefits, or other remuneration; or (6) the payment of reasonable costs and attorney's fees.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would result in an indeterminate increase in annual State expenditures to Division of Workers' Compensation in the Department of Labor and Workforce Development to oversee civil actions that certain paid first responders are permitted to institute against their employer under the bill. The OLS further finds that the bill could result in an annual indeterminate increase in costs to: (1) the Division of Pensions and Benefits; and (2) the Division of Workers' Compensation, through an increase in the use of healthcare services by government employees, as required for eligibility for the employment protections established by the bill.

In the event that a State or local government entity that employs paid first responders is found to have violated the provisions of the bill, the OLS concludes that the government entity would experience an indeterminate increase in expenditures as a result of penalties imposed by the division. Upon request to the Administrative Office of the Courts on a prior version of the bill, specific data concerning the number of cases that could be brought under the bill were unavailable. The number of successful civil actions and the extent of the penalties that could be imposed in each case are unknown. Therefore, the amount of the increase in expenditures is indeterminate.

Section: *Local Government*

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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.).