

JANUARY 11, 1956

MR. ROBERT L. FINLEY
Deputy State Treasurer
State House
Trenton, New Jersey

MEMORANDUM OPINION—P-1

DEAR MR. FINLEY:

You seek our opinion as to whether the proceeds from the sale of the Camden Armory which have been remitted to the State Treasurer shall be retained by him in a separate account, or may be transferred to the General Treasury Account, and if a separate account must be maintained, whether the funds may be properly invested.

Chapter 32 of the Laws of 1955 authorized the Department of Defense to dispose of surplus or unsuitable buildings and grounds, and agreeably thereto the Camden Armory was sold to the City of Camden.

Section 2 of the Act provides:

"The proceeds of any sale made pursuant to this act shall be remitted to the State Treasurer and by him held for application to the purchase price of further sites or grounds or the cost of construction of new buildings for the use of the State military or naval services."

The statute is clear that the remitted proceeds shall be held by the State Treasurer for a specific purpose, to wit, to be applied to the purchase price of further sites or grounds or the cost of construction of new buildings for the use of the State military or naval services. This prevents the deposit of the Camden Armory proceeds in the merged General Treasury Account.

Concerning the investment of the fund, Revised Statutes 52:18-25.1 provides:

"In any case in which the State Treasurer holds moneys of the State under a requirement that said moneys be held for a particular time or be held for a particular use, he may invest such moneys in bonds or notes of the United States until such particular time has arrived or until such time as said moneys are required to be applied to the particular use." (P.L. 1944, c. 148, p. 417, § 1)

The 1944 restriction placed upon the State Treasurer by Chapter 148, P.L. 1944 supra, as to the type of investments he might make with moneys held for a "particular time," or for a "particular use", was removed by the provisions of N.J.S.A. 52:18A-86 as amended. This statute transferred the functions, powers and duties relating to the investment of such moneys from the State Treasurer to the Director of the Division of Investment, Department of the Treasury, to be exercised subject to the provisions and provisos therein contained.

N.J.S.A. 52:18A-89, as amended, authorizes the Director of the Division of

Investment to invest said moneys in such securities and other evidences of indebtedness as are detailed in the Act.

Very truly yours,

GROVER C. RICHMAN, JR.
Attorney General

By: JOSEPH LANIGAN
Deputy Attorney General

JL:MG

JANUARY 23, 1956

MR. WILLIAM F. DITTIG, *Superintendent*
Disability Insurance Service
20 West Front Street
Trenton 10, New Jersey

MEMORANDUM OPINION—P-2

DEAR MR. DITTIG:

You have requested an opinion in regard to the application of a decision of the New Jersey Supreme Court in the case of *Deaney v. The Lincn Thread Company, Inc.*, 19 N. J. 578, decided on November 7, 1955, affirming a decision of the Board of Review of the Division of Employment Security, dated April 18, 1955 and mailed on May 9, 1955, on other claimants who are requesting reimbursement for the amounts deducted from their temporary disability benefits equivalent to the amount that they received concurrently under the Federal Social Security Law.

In the case of Khanan Chodorowsky (Charles Chodorow), S.S. No. 151-18-8438, you have requested a decision where the claimant became sick on April 30, 1953 and received benefits for the period May 8, 1953 to November 5, 1953, inclusive, and his benefits for the last twenty-two weeks of this period were reduced by \$18.62 per week because he received social security benefits for the same weeks. You have stated that he made no appeal until November 10, 1955.

In the case of Antonio Cucci, S.S. No. 149-10-8651, disability payments were reduced for the compensable weeks from February 3, 1955 through May 4, 1955 because he became entitled to social security payments for this period of time. Mr. Cucci's first request for restoration of the deductions was incorporated in a letter dated November 9, 1955.

N.J.S.A. 43:21-30 provided expressly for the reduction of benefits in the amount of any primary insurance benefits being paid to the claimant as federal old age insurance benefits.

An amendment, P.L. 1952, c. 190, effective July 1, 1952, provided as follows:

" * * * Disability benefits otherwise required hereunder shall be reduced by the amount paid concurrently under any governmental or private retirement, pension or permanent disability benefit or allowance program to which his most recent employer contributed on his behalf."

The administrative ruling of the Disability Insurance Service in regard to the 1952 amendment was that the amendment did not change the prior Act in regard to the deduction of the amount of benefits received under the Federal Social Security Act from benefits received under the Temporary Disability Benefits Law.