

**SENATE BILL NO. 374  
(First Reprint)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 374 (First Reprint) without my approval.

Workers' compensation is an important program that provides compensation to employees who suffer job-related injuries or illnesses. Where the injuries result in permanent disability, employees and their families may rely even more on the compensation received. Because of the process for a permanent disability determination and the requirement that a judgment cannot be made for at least 26 weeks from the date of the work-related incident, disabled employees may be awaiting compensation for an extended period of time.

The current law was carefully drafted to encourage the timely offer of compensation to injured employees while also recognizing the efforts of attorneys who advocate on their behalf. To do so, the Legislature provided for an award of attorney's fees in workers' compensation cases but excluded from the calculation of fees good faith offers made by employers within the 26-week waiting period for a permanent disability determination.

This bill would increase the basis on which reasonable attorney's fees in workers' compensation matters would be calculated to include any pre-judgment offers. This change would create a disincentive for employers to make offers to employees during the 26-week period during which the employee is not yet entitled to a judgment.

The focus of the workers' compensation law is to provide a timely, certain recovery to employees who are injured on the job. I cannot support a change to the law that would remove the

carefully-crafted, statutory incentive to afford immediate financial relief to employees who otherwise would be left without compensation, in order to increase the compensation of attorneys.

Accordingly, I herewith return Senate Bill No. 374 (First Reprint) without my approval.

[seal]

Respectfully,  
/s/ Chris Christie  
Governor

Attest:

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