

LEGISLATIVE HISTORY CHECKLIST

NJSA: 43:10-18.1 et al (County retirement system - Essex County - increase benefits)

LAWS OF: 1983

CHAPTER: 211

Bill No: S3333

Sponsor(s): Orecchio and Caufield

Date Introduced: May 23, 1983

Committee: Assembly:

Senate:

Amended during passage: No

Date of Passage: Assembly: May 26, 1983

Senate: May 23, 1983

Date of Approval: June 10, 1983

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly No

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

Sponsors' statement:

This bill amends the law concerning the Employees' Retirement System of Essex County.

SENATE, No. 3333

STATE OF NEW JERSEY

INTRODUCED MAY 23, 1983

By Senators ORECHIO and CAUFIELD

(Without Reference)

AN ACT to amend and supplement "An act to provide for the creation, setting apart, maintenance and administration of a county employees' pension fund in counties having a population exceeding 800,000 inhabitants," approved April 8, 1943 (P. L. 1943, c. 160).

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

1 1. Section 1 of P. L. 1943, c. 160 (C. 43:10-18.1) is amended to  
2 read as follows:

3 1. As used in this act:

4 "Service" shall always, unless otherwise stated, be considered as  
5 continuous or in the aggregate.

6 "Salary" or "compensation" when used solely for the purpose  
7 of fixing benefits under this act means the average annual [salary  
8 or compensation earned by a member during his or her five years  
9 of service] *compensation for which contributions are made for the*  
10 *three years of creditable service as a county employee immediately*  
11 *preceding his retirement or death, or it shall mean the average*  
12 *annual compensation as a county employee for which contributions*  
13 *are made during any three fiscal years of his or her membership,*  
14 *whichever shall provide the largest possible benefit to the member*  
15 *or his beneficiary, or during his or her entire length of service if*  
16 *such service totaled less than [five] three years, [as a county*  
17 *employee immediately preceding death or retirement] provided,*  
18 *however, that no benefit paid upon the death of any member under*  
19 *this act shall exceed [25% of the final compensation of such em-*

**EXPLANATION**—Matter enclosed in bold-faced brackets [thus] in the above bill  
is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

20 ployee], if the deceased member was retired at the time of death,  
21 50% of the pension calculated at the time of retirement, and, if the  
22 deceased member was an employee at the time of death, 25% of  
23 salary, or 50% of the pension that the employee would have re-  
24 ceived had the employee retired upon the date of the death,  
25 whichever shall be greater, provided, however, that no benefit paid  
26 upon the death of any member shall be less than \$2,500.00, annu-  
27 ally; provided further however, that as to any employee who, at  
28 the time of the adoption of this act, is a member of any retirement  
29 system in operation in the county under and by virtue of articles 1,  
30 2, 5, 6 and 7 of chapter 10 of Title 43 of the Revised Statutes and  
31 of R. S. 40:37-157 to 40:37-174, inclusive, and of "An act providing  
32 for the retirement of persons employed in the department of  
33 weights and measures of any county in this State, and providing a  
34 pension for such persons so retired," filed June 21, 1938 (P. L.  
35 1938, c. 397), the total annual salary received by such employee  
36 during the year immediately prior to his death or retirement shall  
37 be considered for pension or other purposes under ths act.

38 "Pension fund" or "fund" means the fund referred to in sec-  
39 tion 16 of this act, and is the fund from which pensions provided  
40 for in this act shall be paid.

41 "State" shall, unless otherwise stated, mean the State of New  
42 Jersey.

43 "His" shall be construed to mean both sexes.

44 "County employee" or "employee" means and includes all  
45 employees and officers in service in any county of this State having  
46 a population of more than 800,000 inhabitants and shall mean and  
47 include all employees and officers of any county board, body or  
48 commission, maintained out of county funds in any such county,  
49 including the official stenographic reporter and proxies of such  
50 official stenographic reporter of such county, and shall also mean  
51 and include employees and officers appointed by such county to  
52 employment on intercounty bridges, but the same term "county  
53 employee" or "employee" does not include members of the  
54 judiciary, or any laborers, unless the labor work is paid on an  
55 hourly, daily, monthly, or annual salary basis for a continuous  
56 employment thereof and recognized as permanent appointees, it  
57 being the intent to exclude transient labor from the operation of  
58 this act. The pension commission shall determine whether or not  
59 the employment of an employee is permanent within the meaning  
60 of this act. "County employee" or "employee" shall also mean  
61 and include all elected and appointed officials of such county.

62 "Population" of a county shall mean the population of a county  
63 according to the federal census of 1940.

64 "Widow" or "widower" means the surviving unremarried  
 65 spouse of a county employee who married such employee prior to  
 66 the retirement of such employee and prior to the time when such  
 67 employee reached the age of 50 years. No such surviving spouse  
 68 shall be eligible for any benefit hereunder who was or shall be more  
 69 than 15 years younger than the employee at the time of their  
 70 marriage, if such marriage occurs hereafter while the employee is  
 71 a member of this retirement system.

72 "Minor child" means an unmarried child under the age of 18  
 73 years.

74 "Permanent and total disability" means physical or mental in-  
 75 capacity of an employee to any longer perform the duties of his  
 76 position or office.

77 "Employees' retirement system of (name of county)" shall be  
 78 the name of the retirement system provided under the provision of  
 79 this act. By that name all of its business shall be transacted, its  
 80 funds invested, warrants for money drawn and payments made and  
 81 all of its cash and securities and other property held.

1 2. Section 9 of P. L. 1943, c. 160 (C. 43:10-18.9) is amended to  
 2 read as follows:

3 9. (a) Subject to the other provisions of this act, any county  
 4 employee:

5 (1) who shall have served or who shall hereafter have served in  
 6 the employ of such county continuously or in the aggregate, *and*  
 7 *shall have accumulated credit in the retirement system*, for a period  
 8 of 20 years, and who shall have attained the age of 60 years, *shall,*  
 9 *upon his application, be retired on one-half of salary;* or [who  
 10 shall regardless of age have served in the employ of such county  
 11 continuously or in the aggregate for a period of 35 years, shall,  
 12 upon his application, be retired on one-half pay.]

13 (2) *who shall have served in the employ of such county continu-*  
 14 *ously or in the aggregate, and shall have accumulated credit in*  
 15 *the retirement system, for a period of 30 years, and who shall have*  
 16 *obtained the age of 55 years, shall, upon his application, be retired*  
 17 *on one-half of salary; or*

18 (3) *who shall regardless of age have served in the employ of such*  
 19 *county continuously or in the aggregate for a period of 35 years,*  
 20 *shall, upon his application, be retired on one-half of salary.*

21 *In addition, any county employee who shall retire at 55 years of*  
 22 *age or older, and who shall have served at least 30 years in the*  
 23 *employ of the county, shall receive an additional one and one-half*  
 24 *per cent of salary for each additional year of service exceeding*

25 *30 years, not to exceed 60% of salary.*

26 Upon and after the death of such employee or pensioner, said  
27 retirement pension shall be paid to the surviving widow, so long  
28 as she remains unmarried, surviving widower, so long as he  
29 remains unmarried, or minor children up to 18 years of age, as  
30 the case may be.

31 (b) (Deleted by amendment.)

32 (c) Should a member, after having completed 15 years of service  
33 for which credit has been established in the pension fund, be  
34 separated voluntarily or involuntarily from the service, before  
35 reaching age 60, and not by removal for cause or charges of mis-  
36 conduct or delinquency, he may elect to receive the payments  
37 provided for in section 18 of the act to which this act is amendatory  
38 and supplementary, or a deferred pension beginning at age 60, in  
39 the amount [based on his years of service credited in the fund bear  
40 to the total number of years of service that he could have achieved  
41 had he continued to age 60 and qualified for the pension of one-half  
42 of average annual] *equal to two and one-half per cent of salary*  
43 *for each year of service for which credit has been established in*  
44 *the pension fund, except that no pension payable under this sub-*  
45 *section shall exceed 50% of salary.*

46 Upon and after the death of such pensioner, said pension, which  
47 the pensioner was receiving prior to his death, shall be paid to the  
48 surviving widow, so long as she remains unmarried, surviving  
49 widower, so long as he remains unmarried, or minor children up  
50 to 18 years of age, as the case may be.

1 3. Section 13 of P. L. 1943, c. 160 (C. 43:10-18.13) is amended to  
2 read as follows:

3 13. Subject to the other provisions of this act, upon and after  
4 the death of any county employee who shall have served or who  
5 shall hereafter have served in the employ of the county continu-  
6 ously or in the aggregate for a period of one year, there shall be  
7 paid to the surviving widow, so long as she remains unmarried,  
8 surviving widower, so long as he remains unmarried, or minor  
9 children up to the age of 18 years, as the case may be, two and  
10 one-half per cent of the salary of such employee, and for each  
11 additional year of service more than one year, the amount of  
12 said pension shall be increased to the extent of two and one-half  
13 per cent of said salary, not exceeding in any event 50% of [said  
14 salary] *the salary, except, if the deceased employee was at the*  
15 *time of death credited with more than 30 years of service and was*  
16 *55 years of age or older, the benefit shall be in an amount not to*  
17 *exceed the amount of pension the employee would have received*

18 *had the employee retired on the date of death, and not to be less*  
19 *than \$2,500.00 annually.*

1 4. Section 16 of P. L. 1943, c. 160 (C. 43:10-18.16) is amended  
2 to read as follows:

3 16. A fund to pay pensions under this act shall be created as  
4 follows:

5 (a) The county treasurer shall deduct from every payment of  
6 salary to any county employee who is or becomes a member of this  
7 retirement system and pay to the fund ~~6%~~ 8% of the amount of  
8 said salary.

9 Such deductions shall be continued to be made during the entire  
10 period of employment of the member and until the death or retire-  
11 ment of said member.

12 The deductions provided herein for pension purposes shall not  
13 be construed as reduction in the salary or compensation of any  
14 member of this retirement system.

15 Every employee to whom this act applies who shall continue in  
16 the service after the adoption and approval of this act, as well as  
17 every person to whom this act applies who may hereafter be ap-  
18 pointed to a position or place, shall be deemed to consent and  
19 agree to the deductions made and provided for herein and payment  
20 with such deductions, for service, shall be a full and complete dis-  
21 charge and acquittance of all claims and demands whatsoever for  
22 all services rendered by such person during the period covered by  
23 such payment except his or her claim to the benefits to which he  
24 or she may be entitled under the provisions of this act.

25 (b) The board of chosen freeholders shall annually raise in the  
26 county budget and contribute annually to the fund an amount  
27 equal to 9% of all of such county employees' salaries. In the fiscal  
28 year next following the effective date of this amendatory and  
29 supplementary act, the county shall increase its contribution by  
30 1% of all such county employees' salaries and in each fiscal year  
31 thereafter the contribution of the county required by the provisions  
32 of this act shall be increased over the previous percentage by an  
33 additional one per cent of all such county employees' salaries until  
34 the actuary of the fund certifies to the county that the county's  
35 contribution, together with the contribution of the members, is  
36 sufficient to meet the liabilities of the fund on a fully funded,  
37 reserve basis.

38 All moneys donated for the purpose of the funds shall be de-  
39 posited in the fund.

40 (c) All interest earned on investments of moneys of this retire-  
41 ment system shall be credited to this pension fund.

42 (d) All moneys required to meet the county contributions pro-  
43 vided for in this and all other sections of this act shall be raised  
44 annually in the county budget by the board of chosen freeholders  
45 and if at any time there is not sufficient money to meet these  
46 requirements and pay the pensions, the board of chosen freeholders  
47 shall, from time to time, include in any tax levy a sum sufficient to  
48 meet the requirements of the retirement system.

49 (e) If in any one year the expenditures required to be made from  
50 the fund created under this act are in excess of the moneys received  
51 by said fund during that year under the provisions of subsections  
52 (a), (b) and (c) of this section, the board of chosen freeholders of  
53 the county shall appropriate, raise by taxation and pay over to said  
54 fund a sum or sums of money sufficient to wholly reimburse said  
55 fund for the amount so expended in excess of moneys received for  
56 that year.

1 5. (New section) Any employee who is a member of the retire-  
2 ment system, and who shall have attained the age of 70 years, shall  
3 be retired immediately, except that the chief executive officer of  
4 the county may, upon written request of the employee, permit an  
5 employee to continue employment with the county beyond the age  
6 of 70 years, on a year-to-year basis.

1 6. This act shall take effect immediately, except that section 5  
2 shall take effect on the date occurring three years after the date of  
3 enactment.

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#### STATEMENT

This bill amends the law concerning the Employees' Retirement  
System of Essex county.

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