

974.90 P418 1955 First report of Commission to Study Non-Contributory Pensions established under Joint resolution no. 7, 1954: to the New Jersey Legislature.
by New Jersey. Commission to Study Non-Contributory Pensions.
[Trenton, N.J. : The Commission, 1955]

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LAW

NOTATIONS

A 365 Crabel Mar. 24—Amends portions of the "Bingo Licensing Law" (P.L. 1954 c. 6) which permit the renting of premises for conducting bingo games to conform with (P.L. 1957 c. 57); clarifies the authority of the Legalized Games of Chance Control Commission to license suppliers of bingo equipment.
 Mar. 24—Rev. & Amend. of Laws Com.
 Apr. 21—Reported, 2nd reading.
 Apr. 24—Passed in Assembly.
 Apr. 28—Received in Senate.
 Apr. 28—State, Co. & Mun. Gov't Com.

A 366 Stolowski Mar. 24—Authorizes Commissioner of the Department of Conservation and Economic Development to sell, lease, or exchange for other lands or property, any areas of land, water, or land and water, belonging to the state, acquired exclusively for public hunting and fishing grounds and game refuges, and assigned to the Division of Fish and Game.

June 9—Passed in Assembly.
 June 16—Passed Senate under emergency resolution.
 June 30—Approved, Chapter 93.

A 367 Wegner, Hauser, Panaro Mar. 24—Provides for increases in the retirement allowances of any retired state employe receiving a retirement allowance from a retirement system or pension fund supported in part or in whole by the state; establishes the "ratio of increase" formula determined by the calendar year in which the retirement allowance became effective.

June 2—Com. Sub. passed in Assembly, under emergency resolution.
 Nov. 10—Passed in Senate.
 Nov. 24—Approved, Chapter 143.

A 368 Kesselhaut Mar. 24—Authorizes the Passaic Valley Sewerage Commissioners to enter into an agreement with any municipality, which was a party to the original contract, for the use of the sewerage facilities at the pumping station for disposal of its sewage originating from within the district area but not heretofore discharged into the interceptor sewer; and for the discharge of sewage originating outside the district area, but within the area of the municipality.

Mar. 24—Rev. & Amend. of Laws Com.
 Apr. 7—Reported, 2nd reading.
 June 16—Recommitted.

A 369 Crabel Mar. 24—Authorizes the Legalized Games of Chance Control Commission to require that bingo equipment suppliers apply for, and be licensed, at an annual fee of \$100.

Mar. 24—Rev. & Amend. of Laws Com.
 Apr. 21—Reported, 2nd reading.
 Apr. 24—Passed in Assembly.
 Apr. 28—Received in Senate.
 Apr. 28—State, Co. & Mun. Gov't Com.

A 370 Biber, Stolowski Mar. 17—Authorizes the Director of the Division of Alcoholic Beverage Control to issue an order authorizing the owner of an enlarged premises, licensed for sale of alcoholic beverages extending into another municipality, to use that part of the premises that extends beyond the boundaries of the municipality, without requiring the holder of the license to obtain a license from the municipality where the enlarged portion of the premises is located; prescribes fee for the order.

Apr. 10—Passed in Assembly.
 June 2—Passed in Senate.
 Mar. 9—Filed in State Library.

A 371 Salsburg Mar. 17—Extends the statute relating to service of process on nonresident motorists to permit such service on the executor or administrator of such person who dies before, or while, suit is being brought against him.

Apr. 10—Passed in Assembly.
 Apr. 21—Passed in Senate.
 June 12—Approved, Chapter 59.

NOTATIONS

A 372 Ozzard Mar. 17—Authorizes the secretary of the board of education to appoint, as a challenger for the proponents or opponents of a public question any person that has made application for appointment as challenger; if no application is made for the appointment of a challenger to act in opposition to another challenger, he shall appoint a suitable person to act as such.

Mar. 17—State, Co. & Mun. Gov't Com.

A 373 Kesselhaut Mar. 17—Amends the Tenement House Act as it affects multi-story apartment houses to bring stairway, window and other requirements in conformity with modern technical developments.

Apr. 10—Passed in Assembly, amended.
 Apr. 21—Passed in Senate.
 Apr. 22—Approved, Chapter 23.

A 374 Hauser, Salsburg, Kraus Mar. 17—Amends the Public Employees Retirement-Social Security Integration Act (P.L. 1954, c. 84) to include years of service in full and part-time employment, with or without compensation, in calculating the prior service credit of veteran members; excepts service rendered as a member of a subordinate board or body having nongovernmental or advisory functions.

Mar. 17—State, Co. & Mun. Gov't Com.

A 375 Hauser, Salsburg, Kraus Mar. 17—Provides that the calculation of service years in public employment to determine qualification for veterans' pension right shall include all service, whether full or part time, or with or without compensation, unless the service was rendered as a member of a subordinate board or body having nongovernmental or advisory functions; these provisions to be retroactive, and any annulment of prior retirements for such reasons to be rescinded, with compensatory payment for such annulment period.

Mar. 17—Pub. Safety, Def. Vet Aff Com.
 May 19—Reported, 2nd reading.
 June 16—Recommitted.

A 376 Flynn Mar. 17—Permits county elections registration commissioners to furnish information as to eligibility of voters, and district wherein registered, to any person making such inquiry in writing.

Mar. 17—State, Co. & Mun. Gov't Com.

A 377 D'Aloia, Matthews, Michnevich, Connery Mar. 24—Increases service-connected death and disability benefits payable under the Consolidated Police and Firemen's Pension Fund to raise widows pension from \$1,500 to $\frac{1}{2}$ salary and disability pension from $\frac{1}{2}$ to $\frac{3}{4}$ salary.

Mar. 24—State, Co. & Mun. Gov't Com.
 Apr. 10—Reported, 2nd reading.
 Apr. 17—Passed in Assembly.
 Apr. 17—Received in Senate.
 Apr. 17—Pub Safety Def. Vet. Aff. Com.

A 378 Durkin, Matthews Mar. 24—Extends the departmental benefits of fire departments, in cities in 1st class counties with population over 800,000 inhabitants, to include the fire alarm operators and fire alarm telegraph linemen.

Apr. 17—Passed in Assembly, amended.
 June 9—Passed in Senate under emergency resolution.
 Mar. 9—Filed in State Library.

A 379 Miller, Wilson, Hughes Mar. 24—Amends the Teachers' Pension and Annuity Fund-Social Security Integration Act of 1955 so as to include, in refunds to veterans, any contributions made in behalf of teacher-veterans by employing boards of education while they were in military service.

Mar. 24—Education Com.

A 380 Miller, Wilson, Hughes Mar. 24—Changes the terminal date for World War II veterans' service, as used in the Teachers' Pension and Annuity Fund-Social Security Integration Act (P.L. 1955, c. 37), from September 2, 1945 to December 31, 1946.

Mar. 24—Education Com.

A 381 Matthews, Durkin Mar. 24—Increases the membership of the State Board of Public Accountants from 3 to 6 members.

Mar. 24—Business Affairs Com.
 Apr. 7—Reported, 2nd reading.
 Apr. 10—Passed in Assembly.
 Apr. 10—Received in Senate.
 Apr. 10—Inst. Pub Health & Welf Com.

ASSEMBLY, No. 367

STATE OF NEW JERSEY

INTRODUCED MARCH 24, 1958

By Assemblymen WEGNER, HAUSER and PANARO

Referred to Committee on State, County and Municipal Government

AN ACT to provide for increases in the retirement allowances of certain retired public employees.

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

1 1. As used in this act "retirant" means any person who, prior to the
2 effective date of this act, was employed by the State of New Jersey, any of
3 its instrumentalities, any of its political subdivisions or any of the instru-
4 mentalities of its political subdivisions and who, as a result of such employ-
5 ment, is receiving a retirement allowance from a retirement system or
6 pension fund supported in part or in whole by the State of New Jersey, or
7 is receiving a retirement allowance under any law, the financial support of
8 which comes solely from the State of New Jersey.

1 2. The retirement allowance being received by any retirant shall be in-
2 creased in accordance with the following formula:

3 a. The first \$480.00 of the retirement allowance, or the full retirement
4 allowance if such allowance is less than \$480.00, shall be increased in accord-
5 ance with the "ratio of increase" formula in this act if the retirant shall
6 have had established 25 years of service credit prior to retirement, or shall
7 have been retired for service-connected disability.

8 b. If the retirant shall have established less than 25 years of service
9 credit prior to retirement and shall not have been retired for service-connected

10 disability, the first \$480.00 of the retirement allowance, or the full retire-
 11 ment allowance if such allowance is less than \$480.00, shall be increased in
 12 accordance with the "ratio of increase" formula, except that this increase
 13 shall be in the same proportion to the increase provided under the "ratio
 14 of increase" formula as the number of years of service credit is to 25.

1 3. The "ratio of increase" which shall apply to the retirement allowance
 2 being received by a retirant shall be calculated in accordance with the fol-
 3 lowing percentages as determined by the calendar year in which the retire-
 4 ment allowance became effective.

	Year of Retirement	Ratio of Increase	Year of Retirement	Ratio of Increase
5	1915	173%	1934	88%
6	1916	165%	1935	96%
7	1917	152%	1936	100%
8	1918	130%	1937	98%
9	1919	104%	1938	95%
10	1920	78%	1939	94%
11	1921	63%	1940	93%
12	1922	56%	1941	90%
13	1923	52%	1942	85%
14	1924	52%	1943	78%
15	1925	57%	1944	69%
16	1926	57%	1945	62%
17	1927	56%	1946	53%
18	1928	56%	1947	43%
19	1929	56%	1948	34%
20	1930	57%	1949	26%
21	1931	62%	1950	19%
22	1932	69%	1951	13%
23	1933	79%		

1 4. Except in the case of retirants of the Teachers' Pensions and Annuity
2 Fund and the Consolidated Police and Firemen's Pension Fund, each em-
3 ployer shall bear the cost of the increase in the retirement allowances pay-
4 able to retirants who retired from the employ of such employer. Certification
5 of the amounts due shall be made by the Director of the Division of Pen-
6 sions to each employer other than the State, prior to December 1 of each
7 year, commencing with December 1, 1958. Each employer shall appropriate
8 the amounts so certified in the fiscal year next following its fiscal year in
9 which such certification is made. Such amounts shall be paid by each em-
10 ployer to the Director of the Division of Pensions by March 30 of each year
11 in the case of employers whose fiscal year extends from January 1 to De-
12 cember 31, and by July 15 of each year in the case of each employer whose
13 fiscal year extends from July 1 of a given calendar year to June 30 of the
14 following calendar year. In the case of retirants of the Consolidated Police
15 and Firemen's Pension Fund, the employer shall pay $\frac{2}{3}$ of the cost
16 of the increase in retirement allowaaces. In making such certifications to
17 employers in the years after 1958 the Director of the Division of Pensions
18 shall take into account payments made by the employer, payments to re-
19 tirants of such employer, prospective payments to be made to such retirants
20 in the following year and necessary administrative costs.

21 The Director of the Division of Pensions shall certify annually to the
22 Director of the Division of Budget and Accounting the amount necessary to
23 provide for the remaining cost of the increases in retirement allowances and
24 necessary administrative costs.

1 5. The increase in retirement allowances provided for under this act
2 shall commence with retirement allowance payments for the month of Jan-
3 uary 1959 provided, that there is appropriated the amount certified by the
4 Director of the Division of Pensions to the Director of the Division of
5 Budget and Accounting as set forth in section 4 hereof. The increase in
6 retirement allowances shall continue to be paid as long as there shall be
7 appropriated the amounts so certified. In the event that the necessary funds

8 are not so appropriated, the increased payments shall cease, no further
9 payments shall be made by other employers, and refunds shall be made by
10 the Director of the Division of Pensions to all employers of any balances
11 unexpended on their account.

1 6. Any person who is eligible to receive the increased retirement al-
2 lowance under the provisions of this act may, at any time, waive his right
3 thereto by filing a written notice of waiver with the Director of the Di-
4 vision of Pensions. Such waiver may be withdrawn at any time and upon
5 such withdrawal the increase in the retirement allowance shall commence with
6 the retirement allowance payment for the next following month.

1 7. This act shall take effect immediately.

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 367

STATE OF NEW JERSEY

ADOPTED MAY 26, 1958

AN ACT to provide for increases in the retirement allowances of certain retired public employees.

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

1 1. As used in this act "retirant" means any person who was employed
2 by the State of New Jersey, any of its instrumentalities, any of its political
3 subdivisions or any of the instrumentalities of its political subdivisions,
4 retired from such employment in any of the calendar years set forth in this
5 act and, as a result of such employment, is receiving a retirement allowance
6 from a retirement system or pension fund supported in part or in whole by
7 the State of New Jersey, or is receiving a retirement allowance under any
8 law, the financial support of which comes solely from the State of New Jersey.

1 2. The retirement allowance being received by any retirant shall be in-
2 creased in accordance with the following formula:

3 a. The first \$480.00 of the retirement allowance, or the full retirement
4 allowance if such allowance is less than \$480.00, shall be increased in accord-
5 ance with the "ratio of increase" formula in this act if the retirant shall
6 have had established 25 years of service credit prior to retirement, or shall
7 have been retired for service-connected disability.

8 b. If the retirant shall have established less than 25 years of service
9 credit prior to retirement and shall not have been retired for service-connected

10 disability, the first \$480.00 of the retirement allowance, or the full retire-
 11 ment allowance if such allowance is less than \$480.00, shall be increased in
 12 accordance with the "ratio of increase" formula, except that this increase
 13 shall be in the same proportion to the increase provided under the "ratio
 14 of increase" formula as the number of years of service credit is to 25.

1 3. The "ratio of increase" which shall apply to the retirement allowance,
 2 or part thereof as specified in section 2 of this act, being received by a retir-
 3 ant shall be calculated in accordance with the following percentages as
 4 determined by the calendar year in which the retirement became effective.

	Year of Retirement	Ratio of Increase	Year of Retirement	Ratio of Increase
5	1915	173%	1934	88%
6	1916	165%	1935	96%
7	1917	152%	1936	100%
8	1918	130%	1937	98%
9	1919	104%	1938	95%
10	1920	78%	1939	94%
11	1921	63%	1940	93%
12	1922	56%	1941	90%
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20	1930	57%	1949	26%
21	1931	62%	1950	19%
22	1932	69%	1951	13%
23	1933	79%		

1 4. Except in the case of retirants of the Teachers' Pension and Annuity
2 Fund and the Consolidated Police and Firemen's Pension Fund, each em-
3 ployer shall bear the cost of the increase in the retirement allowances pay-
4 able to retirants who retired from the employ of such employer. Certification
5 of the amounts due shall be made by the Director of the Division of Pen-
6 sions to each employer other than the State, prior to December 1 of each
7 year, commencing with December 1, 1958. Each employer shall appropriate
8 the amounts so certified in the fiscal year next following its fiscal year in
9 which such certification is made. Such amounts shall be paid by each em-
10 ployer to the Director of the Division of Pensions by March 30 of each year
11 in the case of employers whose fiscal year extends from January 1 to De-
12 cember 31, and by July 15 of each year in the case of each employer whose
13 fiscal year extends from July 1 of a given calendar year to June 30 of the
14 following calendar year. In the case of retirants of the Consolidated Police
15 and Firemen's Pension Fund, the employer shall pay $\frac{2}{3}$ of the cost
16 of the increase in retirement allowances. In making such certifications to
17 employers in the years after 1958 the Director of the Division of Pensions
18 shall take into account payments made by the employer, payments to re-
19 tirants of such employer, prospective payments to be made to such retirants
20 in the following year and necessary administrative costs on behalf of such
20a retirants.

21 The Director of the Division of Pensions shall certify annually to the
22 Director of the Division of Budget and Accounting the amount necessary to
23 provide for the remaining cost of the increases in retirement allowances and
24 necessary administrative costs.

1 5. The increase in retirement allowances provided for under this act
2 shall commence with retirement allowance payments for the month of Jan-
3 uary 1959 provided, that there is appropriated the amount certified by the
4 Director of the Division of Pensions to the Director of the Division of
5 Budget and Accounting as set forth in section 4 hereof. The increase in
6 retirement allowances shall continue to be paid as long as there shall be

7 appropriated the amounts so certified. In the event that the necessary funds
 8 are not so appropriated, the increase in retirement allowances shall cease:
 9 no further payments shall be made by other employers: refunds shall be
 10 made by the Director of the Division of Pensions to all employers of any
 11 balances unexpended on their account; and charges shall be certified by the
 12 Director of the Division of Pensions to all employers of any amounts which
 13 have been paid on behalf of the retirants of such employer for which funds
 14 have not been paid to the director by the employer. In the event that any
 15 such charges are certified, provision for payment shall be made by the
 16 employer in the budget for the ensuing fiscal year.

1 6. Any person who is eligible to receive the increased retirement al-
 2 lowance under the provisions of this act may, at any time, waive his right
 3 thereto by filing a written notice of waiver with the Director of the Di-
 4 vision of Pensions. Such waiver may be withdrawn at any time and upon
 5 such withdrawal the increase in the retirement allowance shall commence with
 6 the retirement allowance payment for the next following month.

1 7. This act shall take effect immediately.

STATEMENT

This bill is intended to meet in some part the situation that exists for certain former public employees who, having retired on pensions based on the salary levels of many years ago, now face varying degrees of hardship because of serious increases in the cost of living since their retirement. Some of these retired employees have in fact been obliged to seek old age assistance, and it is expected that this bill will provide an alternative for them on a more dignified, even-handed basis. There is no attempt in this bill to suggest the general need for a cost-of-living index, or an escalator clause, for pension or retirement systems. The great majority of New Jersey's public employees have been covered under the Federal Old Age and Survivors' Insurance program in recent years, and the benefits payable under this program have tended to increase with increases in the cost of living, thus the problem may not be as severe in the future.

A cut-off point, beyond which no adjustment of pension would be made, is, of necessity, arbitrary, but, in this bill, the factors have been continued to a date low enough, 1951 (13% increase in the basic amount), to represent liberal treatment of the meaning of "hardship." No increase is provided in those cases where the ratio of increase would be so small that the average taxpayer usually must adjust to it in his own personal way; in fact, an extension of the schedule of increases into this area would involve the State in administrative costs utterly disproportionate to the benefits that would result.

The program set forth in this bill reflects the work of a special committee established by the Governor to study this problem. The specific increase in benefits contained herein represents the least costly of six possible programs suggested by this committee.