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S2078 (2R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	SSG 12/16/24 1R SBA 3/17/25 2R
TECHNICAL REVIEW OF BILL:	No	
COMMITTEE STATEMENT:	ASSEMBLY:	No
	SENATE:	Yes State Government, Wagering, Tourism & Historic Preservation Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No	
LEGISLATIVE FISCAL ESTIMATE:	Yes	03/072025
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CL/MMcB

P.L. 2025, CHAPTER 147, *approved October 1, 2025*
Assembly, No. 1675 (*Second Reprint*)

1 AN ACT concerning the return to service of members of the
2 Teachers' Pension and Annuity Fund, amending various parts of
3 the statutory law and supplementing chapter 66 of Title 18A of
4 the New Jersey Statutes.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. N.J.S.18A:66-7 is amended to read as follows:

10 18A:66-7. Membership of any person shall cease:

11 (a) if, except as provided in N.J.S.18A:66-8, he shall
12 discontinue his service for more than **[two]** ¹**[seven]** 10¹
13 consecutive years;

14 (b) upon the withdrawal by a member of his accumulated
15 deductions as provided in this article;

16 (c) upon resignation and election to receive, in lieu of the return
17 of his accumulated deductions, the benefits provided in
18 N.J.S.18A:66-36 and N.J.S.18A:66-37;

19 (d) upon retirement;

20 (e) at death;

21 but not otherwise except as provided in this article.

22 The pension fund shall send written notice in care of the last
23 employer of a member at least 60 days in advance of the date on
24 which his inactive membership shall expire as provided in
25 subsection (a) of this section.

26 (cf: P.L.1967, c.271, s.1)

27
28 2. N.J.S.18A:66-8 is amended to read as follows:

29 18A:66-8. a. If a teacher:

30 (1) is dismissed by an employer by reason of reduction in
31 number of teachers employed in the school district, institution or
32 department when in the judgment of the employer it is advisable to
33 abolish any office, position or employment for reasons of a
34 reduction in the number of pupils, economy, a change in the
35 administrative or supervisory organization or other good cause; or
36 becomes unemployed by reason of the creation of a regional school
37 district or a consolidated school district; or has been discontinued
38 from service without personal fault or through leave of absence

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted June 24, 2024.

²Senate SBA committee amendments adopted March 17, 2025.

1 granted by an employer or permitted by any law of this State; or
2 meets the eligibility requirements of N.J.S.18A:66-36; and

3 (2) has not withdrawn the accumulated member's contributions
4 from the retirement system, the teacher's membership may continue,
5 notwithstanding any provisions of this article, if the member returns
6 to service within a period of ~~10~~ ¹~~25~~ ¹⁵ years from the date of
7 discontinuance from service ², provided, however, that this
8 paragraph shall be administered consistent with rules governing
9 minimum required distributions from a qualified retirement plan, as
10 those terms are defined pursuant to section 4974 of the federal
11 Internal Revenue Code of 1986, 26 U.S.C. s. 4974².

12 No credit for retirement purposes shall be allowed to the member
13 covering the period of discontinuance, except as provided in this
14 section. In computing the service or in computing final
15 compensation, no time after September 1, 1919, during which a
16 member shall have been employed as a teacher at an annual salary
17 or remuneration, or a number of hours of work, fixed at less than
18 that which is required for membership pursuant to N.J.S.18A:66-4
19 as applicable to the member shall be credited. In computing the
20 service or in computing final compensation, no time after the
21 effective date of P.L.2010, c.1, during which a member shall have
22 been employed as a teacher for fewer than 32 hours per week shall
23 be credited, unless the member shall have been a member since that
24 effective date continuously. In the case of a veteran member credit
25 shall be given for service rendered prior to January 1, 1955, in an
26 employment, office or position if the annual salary or remuneration
27 therefor was fixed at not less than \$300.00 and the service consisted
28 of the performance of the full duties of the employment, office or
29 position.

30 b. A teacher may purchase credit for time during which the
31 teacher shall have been absent on an official leave without pay. The
32 credit shall be purchased for a period of time equal to:

33 (1) three months or the duration of the leave, whichever is less;
34 or

35 (2) if the leave was due to the member's personal illness, two
36 years or the duration of the leave, whichever is less; or

37 (3) the period of leave that is specifically allowed for retirement
38 purposes by the provisions of any law of this State.

39 The purchase shall be made in the same manner and be subject to
40 the same terms and conditions provided for the purchase of previous
41 membership service by N.J.S.18A:66-9.

42 (cf: P.L.2010, c.1, s.2)

43
44 3. N.J.S.18A:66-15 is amended to read as follows:

45 18A:66-15. In computing for retirement or for purposes of
46 resignation or separation from service under N.J.S.18A:66-36 and
47 N.J.S.18A:66-37 the total service of a member about to be retired,
48 the retirement system shall credit him with all service rendered by

1 him since he last became a member and in addition, with all the
2 service to which he is entitled and with no other service. Except as
3 otherwise provided in this article, such service credit shall be final
4 and conclusive for retirement purposes, or for purposes of
5 resignation under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the
6 member shall discontinue his service for more than **[two]** ¹**[seven]**
7 10¹ consecutive years. In the case of a member for whom
8 compensation is defined in paragraph (2) of subsection d. of
9 N.J.S.18A:66-2, the retirement system shall credit the member with
10 the time of all service rendered by the member during the part of
11 any year that the member was a participant of the Defined
12 Contribution Retirement Program, pursuant to paragraph (5) of
13 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2) as
14 amended by section 12 of P.L.2007, c.103, and making
15 contributions to that program.

16 For the purpose of computing service for retirement purposes,
17 the board of trustees shall fix and determine by appropriate rules
18 and regulations how much service in any year shall equal a year of
19 service and part of a year of service. Not more than one year shall
20 be credited for all service in a calendar year.

21 (cf: P.L.2007, c.103, s.17)

22
23 4. N.J.S.18A:66-36 is amended to read as follows:

24 18A:66-36. Should a member of the Teachers' Pension and
25 Annuity Fund, after having completed 10 years of service, be
26 separated voluntarily or involuntarily from the service, before
27 reaching service retirement age, and not by removal for conduct
28 unbecoming a teacher or other just cause under the provisions of
29 N.J.S.18A:28-4 to N.J.S.18A:28-5 and N.J.S.18A:28-9 to
30 N.J.S.18A:28-13 inclusive, such person may elect to receive, in lieu
31 of the payment provided in N.J.S.18A:66-34:

32 a. The payments provided for in N.J.S.18A:66-37, if he so
33 qualified under said section; or

34 b. A deferred retirement allowance beginning at age 60, or for
35 a person who becomes a member of the retirement system on or
36 after the effective date of P.L.2008, c.89 beginning at age 62, which
37 shall be made up of an annuity derived from the member's
38 accumulated deductions at the time of his severance from the
39 service, and a pension in the amount which, when added to the
40 member's annuity, will provide a total retirement allowance of 1/64
41 of final compensation for each year of service credited as Class A
42 service and 1/55 of final compensation for each year of service
43 credited as class B service, or for a person who becomes a member
44 of the retirement system on or after the effective date of P.L.2010,
45 c.1 1/60 of final compensation for each year of service credited as
46 class B service, calculated in accordance with N.J.S.18A:66-44,
47 with optional privileges provided for in N.J.S.18A:66-47 if he
48 exercises such optional privilege at least 30 days before his

1 attainment of the normal retirement age; provided, that such
2 election is communicated by such member to the retirement system
3 in writing stating at what time subsequent to the execution and
4 filing thereof he desires to be retired; and provided, further, that
5 such member may later elect: (1) to receive the payments provided
6 for in N.J.S.18A:66-37, if he had qualified under that section at the
7 time of leaving service, except that in order to avail himself of the
8 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
9 such optional privilege at least 30 days before the effective date of
10 his retirement; or (2) to withdraw his accumulated deductions with
11 interest as provided in N.J.S.18A:66-34. If such member shall die
12 before attaining service retirement age, then his accumulated
13 deductions, plus regular interest after January 1, 1956, shall be paid
14 in accordance with N.J.S.18A:66-38, and, in addition if such
15 member shall die after attaining service retirement age and has not
16 withdrawn his accumulated deductions, an amount equal to 3/16 of
17 the compensation upon which contributions by the member to the
18 annuity savings fund were based in the last year of creditable
19 service shall be paid to such member's beneficiary.

20 Any member who, having elected to receive a deferred
21 retirement allowance, again becomes an employee covered by the
22 retirement system while under the age of 60 or, if that person
23 became a member of the retirement system on or after the effective
24 date of P.L.2008, c.89, while under the age of 62, shall thereupon
25 be reenrolled. If he had discontinued his service for more than
26 **【two】** ¹**【seven】** ¹⁰ consecutive years, subsequent contributions
27 shall be at a rate applicable to the age resulting from the subtraction
28 of his years of creditable service at the time of his last
29 discontinuance of contributing membership from his age at the time
30 of his return to service. He shall be credited with all service as a
31 member standing to his credit at the time of his election to receive a
32 deferred retirement allowance.

33 (cf: P.L.2010, c.1, s.8)

34

35 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
36 read as follows:

37 7. (a) When a member of the Teachers' Pension and Annuity
38 Fund or the Public Employees' Retirement System or the Police and
39 Firemen's Retirement System elects to transfer to an alternate
40 benefit program by filing the proper application form declaring his
41 election to participate in such alternate benefit program, the
42 respective retirement system shall transfer the amount of his
43 accumulated deductions as of the date of transfer to his individual
44 account in the program.

45 (b) There shall also be transferred from the contingent reserve
46 fund or the pension fund of the Teachers' Pension and Annuity Fund
47 or the Public Employees' Retirement System or the Police and
48 Firemen's Retirement System or from the Group Annuity Plan to the

1 individual's account in the alternate benefit program, the pension
2 reserve required as of the date of his transfer to provide a pension
3 for each year of service credited to the account of the member as set
4 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
5 section 38 or section 48 of P.L.1954, c.84 as such sections have
6 been amended and supplemented as of July 1, 1969 (C.43:15A-38,
7 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
8 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
9 for each year of service credited under the Group Annuity Plan.
10 Such transfer from the contingent reserve fund or the pension fund
11 of the Teachers' Pension and Annuity Fund or the Public
12 Employees' Retirement System or the Police and Firemen's
13 Retirement System or the Group Annuity Plan shall be made at the
14 time of the member's transfer to the alternate benefit program in the
15 case of any such member who has then met the eligibility
16 requirements for a pension under the aforementioned N.J.S.18A:66-
17 36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954,
18 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
19 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
20 the Group Annuity Plan. In the case of any member who elects to
21 participate in the alternate benefit program who has not then met
22 the eligibility requirements for a pension under N.J.S.18A:66-36 or
23 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954,
24 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
25 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
26 under the Group Annuity Plan, the transfer from the contingent
27 reserve fund or the pension fund of the and Annuity Fund or the
28 Public Employees' Retirement System or the Police and Firemen's
29 Retirement System or the Group Annuity Plan shall be effected at
30 the time such requirements have been met, taking into account for
31 the purpose of such eligibility requirement his years of membership
32 service at the time of his election and his subsequent years of
33 service as a full-time member of the faculty of Rutgers, The State
34 University, the New Jersey Institute of Technology, Rowan
35 University, Montclair State University, Kean University, or the
36 State or county colleges or as an eligible employee of the
37 Department of Higher Education, or at the time he shall have 10
38 years of credit for New Jersey service and becomes physically
39 incapacitated for the performance of duty if he had been a member
40 of the Teachers' Pension and Annuity Fund or the Public
41 Employees' Retirement System or the Police and Firemen's
42 Retirement System as of the date of transfer.

43 The annuity to be used in determining the amount of pension is
44 the actuarial equivalent of the member's accumulated deductions
45 transferred from the Teachers' Pension and Annuity Fund or the
46 Public Employees' Retirement System or the Police and Firemen's
47 Retirement System to the date the member attains 60 years of age, if
48 subsequent to the date of election. The amount of pension is that

1 established by formula within N.J.S.18A:66-44 or section 48 of
2 P.L.1954, c.84 as such sections have been amended and
3 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
4 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
5 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
6 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)
7 enacted subsequent to this act or the Group Annuity Plan shall have
8 no application to the provisions of this act.

9 In the event that the eligibility requirement under N.J.S.18A:66-
10 36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section
11 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity
12 Plan is changed at some future date to permit members to become
13 eligible for such benefit prior to the completion of 15 years of
14 service, the transfer of the reserve from the contingent reserve fund
15 or the pension fund of the Teachers' Pension and Annuity Fund or
16 the Public Employees' Retirement System or the Police and
17 Firemen's Retirement System or from the Group Annuity Plan shall
18 be effective as of the date the member who had elected the alternate
19 benefit program meets the amended eligibility requirement or the
20 effective date of the amendment, whichever is later.

21 In the event an option is available with respect to the distribution
22 of employee and employer contributions between fixed and variable
23 annuities under the alternate benefit program, the employee shall
24 have the right to determine the percentage distribution of these
25 funds subject to any limitations imposed by the designated insurer
26 or insurers.

27 (c) No transfer of pension reserves shall be made pursuant to
28 this section where more than **[two]** ¹**[seven]** ¹⁰ consecutive years
29 elapse in which no employer contributions to an alternate benefit
30 program are required.

31 (cf: P.L.2021, c.282, s.53)

32
33 6. (New section) a. A person who returns to service with an
34 employer within the time period set forth in N.J.S.18A:66-7 or
35 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
36 the eligibility requirements for enrollment set forth in
37 N.J.S.18A:66-4 for the member's tier at the time of the member's
38 termination of service prior to the return.

39 b. A person who returned to service with an employer prior to
40 the effective date of P.L. , c. (pending before the Legislature as
41 this bill) within the time period set forth in N.J.S.18A-66-7, as
42 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
43 fund in accordance with subsection a. of this section by the Division
44 of Pensions and Benefits and shall be placed in the member's tier at
45 the time of the member's termination of service prior to the return.

46 There shall be no additional contributions imposed on the
47 member or the member's employer.

1 The division shall make such adjustments and transfers as shall
2 be necessary to ensure the enrollment of the member in the fund and
3 placement in the same tier pursuant to this subsection.

4

5 7. This act shall take effect immediately.

6

7

8

9

10 Extends membership in TPAF to 10 years after discontinuance of
11 service and to 15 years for those who were laid off or had 10 or
12 more years of continuous service upon voluntary termination.

CHAPTER 147

AN ACT concerning the return to service of members of the Teachers' Pension and Annuity Fund, amending various parts of the statutory law and supplementing chapter 66 of Title 18A of the New Jersey Statutes.

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

1. N.J.S.18A:66-7 is amended to read as follows:

Cessation of membership.

18A:66-7. Membership of any person shall cease:

- (a) if, except as provided in N.J.S.18A:66-8, he shall discontinue his service for more than 10 consecutive years;
 - (b) upon the withdrawal by a member of his accumulated deductions as provided in this article;
 - (c) upon resignation and election to receive, in lieu of the return of his accumulated deductions, the benefits provided in N.J.S.18A:66-36 and N.J.S.18A:66-37;
 - (d) upon retirement;
 - (e) at death;
- but not otherwise except as provided in this article.

The pension fund shall send written notice in care of the last employer of a member at least 60 days in advance of the date on which his inactive membership shall expire as provided in subsection (a) of this section.

2. N.J.S.18A:66-8 is amended to read as follows:

Continuance of membership.

18A:66-8. a. If a teacher:

(1) is dismissed by an employer by reason of reduction in number of teachers employed in the school district, institution, or department when in the judgment of the employer it is advisable to abolish any office, position, or employment for reasons of a reduction in the number of pupils, economy, a change in the administrative or supervisory organization, or other good cause; becomes unemployed by reason of the creation of a regional school district or a consolidated school district; has been discontinued from service without personal fault or through leave of absence granted by an employer or permitted by any law of this State; or meets the eligibility requirements of N.J.S.18A:66-36; and

(2) has not withdrawn the accumulated member's contributions from the retirement system, the teacher's membership may continue, notwithstanding any provisions of this article, if the member returns to service within a period of 15 years from the date of discontinuance from service, provided, however, that this paragraph shall be administered consistent with rules governing minimum required distributions from a qualified retirement plan, as those terms are defined pursuant to section 4974 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 4974.

No credit for retirement purposes shall be allowed to the member covering the period of discontinuance, except as provided in this section. In computing the service or in computing final compensation, no time after September 1, 1919, during which a member shall have been employed as a teacher at an annual salary or remuneration, or a number of hours of work, fixed at less than that which is required for membership pursuant to N.J.S.18A:66-4 as applicable to the member shall be credited. In computing the service or in computing final compensation, no time after the effective date of P.L.2010, c.1, during which a member shall have been

employed as a teacher for fewer than 32 hours per week shall be credited, unless the member shall have been a member since that effective date continuously. In the case of a veteran member, credit shall be given for service rendered prior to January 1, 1955, in an employment, office, or position if the annual salary or remuneration therefor was fixed at not less than \$300.00 and the service consisted of the performance of the full duties of the employment, office or position.

b. A teacher may purchase credit for time during which the teacher shall have been absent on an official leave without pay. The credit shall be purchased for a period of time equal to:

- (1) three months or the duration of the leave, whichever is less; or
- (2) if the leave was due to the member's personal illness, two years or the duration of the leave, whichever is less; or
- (3) the period of leave that is specifically allowed for retirement purposes by the provisions of any law of this State.

The purchase shall be made in the same manner and be subject to the same terms and conditions provided for the purchase of previous membership service by N.J.S.18A:66-9.

3. N.J.S.18A:66-15 is amended to read as follows:

Service credit for retirement.

18A:66-15. In computing for retirement or for purposes of resignation or separation from service under N.J.S.18A:66-36 and N.J.S.18A:66-37 the total service of a member about to be retired, the retirement system shall credit him with all service rendered by him since he last became a member and, in addition, with all the service to which he is entitled and with no other service. Except as otherwise provided in this article, such service credit shall be final and conclusive for retirement purposes, or for purposes of resignation under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the member shall discontinue his service for more than 10 consecutive years. In the case of a member for whom compensation is defined in paragraph (2) of subsection d. of N.J.S.18A:66-2, the retirement system shall credit the member with the time of all service rendered by the member during the part of any year that the member was a participant of the Defined Contribution Retirement Program, pursuant to paragraph (5) of subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2) as amended by section 12 of P.L.2007, c.103, and making contributions to that program.

For the purpose of computing service for retirement purposes, the board of trustees shall fix and determine by appropriate rules and regulations how much service in any year shall equal a year of service and part of a year of service. Not more than one year shall be credited for all service in a calendar year.

4. N.J.S.18A:66-36 is amended to read as follows:

Vesting of TPAF members.

18A:66-36. Should a member of the Teachers' Pension and Annuity Fund, after having completed 10 years of service, be separated voluntarily or involuntarily from the service, before reaching service retirement age, and not by removal for conduct unbecoming a teacher or other just cause under the provisions of N.J.S.18A:28-4 to N.J.S.18A:28-5 and N.J.S.18A:28-9 to N.J.S.18A:28-13 inclusive, such person may elect to receive, in lieu of the payment provided in N.J.S.18A:66-34:

- a. The payments provided for in N.J.S.18A:66-37, if he so qualified under said section; or

b. A deferred retirement allowance beginning at age 60, or for a person who becomes a member of the retirement system on or after the effective date of P.L.2008, c.89 beginning at age 62, which shall be made up of an annuity derived from the member's accumulated deductions at the time of his severance from the service, and a pension in the amount which, when added to the member's annuity, will provide a total retirement allowance of $\frac{1}{64}$ of final compensation for each year of service credited as Class A service and $\frac{1}{55}$ of final compensation for each year of service credited as class B service or for a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, $\frac{1}{60}$ of final compensation for each year of service credited as class B service, calculated in accordance with N.J.S.18A:66-44, with optional privileges provided for in N.J.S.18A:66-47 if he exercises such optional privilege at least 30 days before his attainment of the normal retirement age, provided that such election is communicated by such member to the retirement system in writing stating at what time subsequent to the execution and filing thereof he desires to be retired and provided, further, that such member may later elect: (1) to receive the payments provided for in N.J.S.18A:66-37, if he had qualified under that section at the time of leaving service, except that in order to avail himself of the optional privileges pursuant to N.J.S.18A:66-47, he must exercise such optional privilege at least 30 days before the effective date of his retirement; or (2) to withdraw his accumulated deductions with interest as provided in N.J.S.18A:66-34. If such member shall die before attaining service retirement age, then his accumulated deductions, plus regular interest after January 1, 1956, shall be paid in accordance with N.J.S.18A:66-38, and, in addition, if such member shall die after attaining service retirement age and has not withdrawn his accumulated deductions, an amount equal to $\frac{3}{16}$ of the compensation upon which contributions by the member to the annuity savings fund were based in the last year of creditable service shall be paid to such member's beneficiary.

Any member who, having elected to receive a deferred retirement allowance, again becomes an employee covered by the retirement system while under the age of 60 or, if that person became a member of the retirement system on or after the effective date of P.L.2008, c.89, while under the age of 62, shall thereupon be reenrolled. If he had discontinued his service for more than 10 consecutive years, subsequent contributions shall be at a rate applicable to the age resulting from the subtraction of his years of creditable service at the time of his last discontinuance of contributing membership from his age at the time of his return to service. He shall be credited with all service as a member standing to his credit at the time of his election to receive a deferred retirement allowance.

5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to read as follows:

C.18A:66-173 Transfer to alternate benefit program.

7. (a) When a member of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System elects to transfer to an alternate benefit program by filing the proper application form declaring his election to participate in such alternate benefit program, the respective retirement system shall transfer the amount of his accumulated deductions as of the date of transfer to his individual account in the program.

(b) There shall also be transferred from the contingent reserve fund or the pension fund of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System or from the Group Annuity Plan to the individual's account in the alternate benefit program, the pension reserve required as of the date of his transfer to provide a pension for each year of service credited to the account of the member as

set forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in section 38 or section 48 of P.L.1954, c.84 as such sections have been amended and supplemented as of July 1, 1969 (C.43:15A-38, C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or for each year of service credited under the Group Annuity Plan. Such transfer from the contingent reserve fund or the pension fund of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System or the Group Annuity Plan shall be made at the time of the member's transfer to the alternate benefit program in the case of any such member who has then met the eligibility requirements for a pension under the aforementioned N.J.S.18A:66-36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954, c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or the Group Annuity Plan. In the case of any member who elects to participate in the alternate benefit program who has not then met the eligibility requirements for a pension under N.J.S.18A:66-36 or N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954, c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, the transfer from the contingent reserve fund or the pension fund of the and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System or the Group Annuity Plan shall be effected at the time such requirements have been met, taking into account for the purpose of such eligibility requirement his years of membership service at the time of his election and his subsequent years of service as a full-time member of the faculty of Rutgers, The State University, the New Jersey Institute of Technology, Rowan University, Montclair State University, Kean University, or the State or county colleges or as an eligible employee of the Department of Higher Education, or at the time he shall have 10 years of credit for New Jersey service and becomes physically incapacitated for the performance of duty if he had been a member of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System as of the date of transfer.

The annuity to be used in determining the amount of pension is the actuarial equivalent of the member's accumulated deductions transferred from the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System to the date the member attains 60 years of age, if subsequent to the date of election. The amount of pension is that established by formula within N.J.S.18A:66-44 or section 48 of P.L.1954, c.84 as such sections have been amended and supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5) enacted subsequent to this act or the Group Annuity Plan shall have no application to the provisions of this act.

In the event that the eligibility requirement under N.J.S.18A:66-36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity Plan is changed at some future date to permit members to become eligible for such benefit prior to the completion of 15 years of service, the transfer of the reserve from the contingent reserve fund or the pension fund of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System or the Police and Firemen's Retirement System or from the Group Annuity Plan shall be effective as of the date the member who had elected the alternate benefit program meets the amended eligibility requirement or the effective date of the amendment, whichever is later.

In the event an option is available with respect to the distribution of employee and employer contributions between fixed and variable annuities under the alternate benefit program, the

employee shall have the right to determine the percentage distribution of these funds, subject to any limitations imposed by the designated insurer or insurers.

(c) No transfer of pension reserves shall be made pursuant to this section where more than 10 consecutive years elapse in which no employer contributions to an alternate benefit program are required.

C.18A:66-8a Return to service, eligibility, enrollment in the fund.

6. a. A person who returns to service with an employer within the time period set forth in N.J.S.18A:66-7 or N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on the eligibility requirements for enrollment set forth in N.J.S.18A:66-4 for the member's tier at the time of the member's termination of service prior to the return.

b. A person who returned to service with an employer prior to the effective date of P.L.2025, c.147 (C.18A:66-8a et al.) within the time period set forth in N.J.S.18A-66-7, as amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the fund in accordance with subsection a. of this section by the Division of Pensions and Benefits and shall be placed in the member's tier at the time of the member's termination of service prior to the return.

There shall be no additional contributions imposed on the member or the member's employer.

The division shall make such adjustments and transfers as shall be necessary to ensure the enrollment of the member in the fund and placement in the same tier pursuant to this subsection.

7. This act shall take effect immediately.

Approved October 1, 2025.

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman ROSAURA "ROSY" BAGOLIE

District 27 (Essex and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Co-Sponsored by:

Assemblywomen Quijano, Reynolds-Jackson, Murphy, Katz,

Assemblyman Miller, Assemblywoman Morales, Assemblyman Rodriguez,

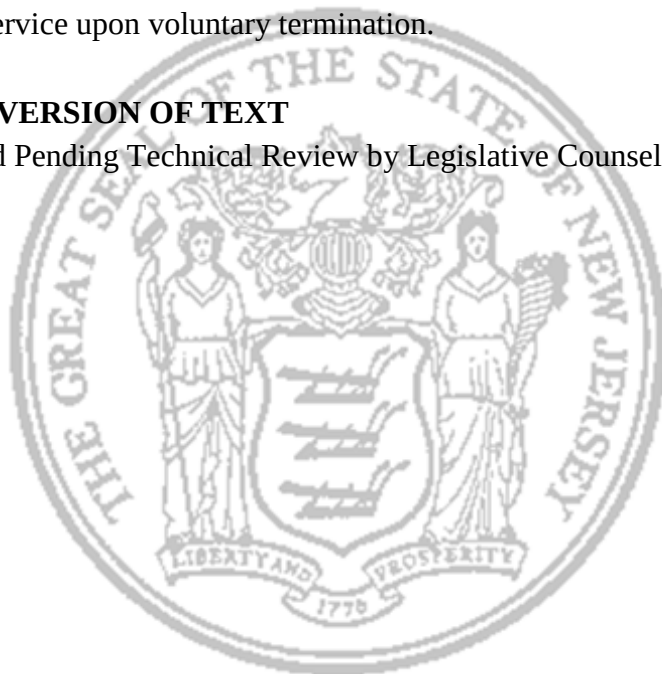
Assemblywomen McCann Stamato and Hall

SYNOPSIS

Extends membership in TPAF to seven years after discontinuance of service and to 25 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 6/6/2024)

1 **AN ACT** concerning the return to service of members of the
2 Teachers' Pension and Annuity Fund and amending various parts
3 of the statutory law.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. N.J.S.18A:66-7 is amended to read as follows:

9 18A:66-7. Membership of any person shall cease:

10 (a) if, except as provided in section 18A:66-8, he shall
11 discontinue his service for more than **【two】** seven consecutive
12 years;

13 (b) upon the withdrawal by a member of his accumulated
14 deductions as provided in this article;

15 (c) upon resignation and election to receive, in lieu of the return
16 of his accumulated deductions, the benefits provided in section
17 18A:66-36 and 18A:66-37;

18 (d) upon retirement;

19 (e) at death;

20 but not otherwise except as provided in this article.

21 The pension fund shall send written notice in care of the last
22 employer of a member at least 60 days in advance of the date on
23 which his inactive membership shall expire as provided in
24 subsection (a) of this section.

25 (cf: P.L.1967, c.271, s.1)

26

27 2. N.J.S.18A:66-8 is amended to read as follows:

28 18A:66-8. a. If a teacher:

29 (1) is dismissed by an employer by reason of reduction in
30 number of teachers employed in the school district, institution or
31 department when in the judgment of the employer it is advisable to
32 abolish any office, position or employment for reasons of a
33 reduction in the number of pupils, economy, a change in the
34 administrative or supervisory organization or other good cause; or
35 becomes unemployed by reason of the creation of a regional school
36 district or a consolidated school district; or has been discontinued
37 from service without personal fault or through leave of absence
38 granted by an employer or permitted by any law of this State; or
39 meets the eligibility requirements of N.J.S.18A:66-36; and

40 (2) has not withdrawn the accumulated member's contributions
41 from the retirement system, the teacher's membership may continue,
42 notwithstanding any provisions of this article, if the member returns
43 to service within a period of **【10】** 25 years from the date of
44 discontinuance from service.

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 underlined thus is new matter.

1 No credit for retirement purposes shall be allowed to the member
2 covering the period of discontinuance, except as provided in this
3 section. In computing the service or in computing final
4 compensation, no time after September 1, 1919, during which a
5 member shall have been employed as a teacher at an annual salary
6 or remuneration, or a number of hours of work, fixed at less than
7 that which is required for membership pursuant to N.J.S.18A:66-4
8 as applicable to the member shall be credited. In computing the
9 service or in computing final compensation, no time after the
10 effective date of P.L.2010, c.1, during which a member shall have
11 been employed as a teacher for fewer than 32 hours per week shall
12 be credited, unless the member shall have been a member since that
13 effective date continuously. In the case of a veteran member credit
14 shall be given for service rendered prior to January 1, 1955, in an
15 employment, office or position if the annual salary or remuneration
16 therefor was fixed at not less than \$300.00 and the service consisted
17 of the performance of the full duties of the employment, office or
18 position.

19 b. A teacher may purchase credit for time during which the
20 teacher shall have been absent on an official leave without pay. The
21 credit shall be purchased for a period of time equal to:

22 (1) three months or the duration of the leave, whichever is less;
23 or

24 (2) if the leave was due to the member's personal illness, two
25 years or the duration of the leave, whichever is less; or

26 (3) the period of leave that is specifically allowed for retirement
27 purposes by the provisions of any law of this State.

28 The purchase shall be made in the same manner and be subject to
29 the same terms and conditions provided for the purchase of previous
30 membership service by N.J.S.18A:66-9.

31 (cf: P.L.2010, c.1, s.2)

32

33 3. N.J.S. 18A:66-15 is amended to read as follows:

34 18A:66-15. In computing for retirement or for purposes of
35 resignation or separation from service under sections 18A:66-36
36 and 18A:66-37 the total service of a member about to be retired, the
37 retirement system shall credit him with all service rendered by him
38 since he last became a member and in addition, with all the service
39 to which he is entitled and with no other service. Except as
40 otherwise provided in this article, such service credit shall be final
41 and conclusive for retirement purposes, or for purposes of
42 resignation under sections 18A:66-36 and 18A:66-37, unless the
43 member shall discontinue his service for more than **【two】 seven**
44 consecutive years. In the case of a member for whom compensation
45 is defined in paragraph (2) of subsection d. of N.J.S.18A:66-2, the
46 retirement system shall credit the member with the time of all
47 service rendered by the member during the part of any year that the
48 member was a participant of the Defined Contribution Retirement

1 Program, pursuant to paragraph (5) of subsection a. of section 2 of
2 P.L.2007, c.92 (C.43:15C-2) as amended by section 12 of P.L.2007,
3 c.103, and making contributions to that program.

4 For the purpose of computing service for retirement purposes,
5 the board of trustees shall fix and determine by appropriate rules
6 and regulations how much service in any year shall equal a year of
7 service and part of a year of service. Not more than one year shall
8 be credited for all service in a calendar year.

9 (cf: P.L.2007, c.103, s.17)

10
11 4. N.J.S.18A:66-36 is amended to read as follows:

12 18A:66-36. Should a member of the Teachers' Pension and
13 Annuity Fund, after having completed 10 years of service, be
14 separated voluntarily or involuntarily from the service, before
15 reaching service retirement age, and not by removal for conduct
16 unbecoming a teacher or other just cause under the provisions of
17 N.J.S.18A:28-4 to 18A:28-5 and 18A:28-9 to 18A:28-13 inclusive,
18 such person may elect to receive, in lieu of the payment provided in
19 N.J.S.18A:66-34:

20 a. The payments provided for in N.J.S.18A:66-37, if he so
21 qualified under said section; or

22 b. A deferred retirement allowance beginning at age 60, or for
23 a person who becomes a member of the retirement system on or
24 after the effective date of P.L.2008, c.89 beginning at age 62, which
25 shall be made up of an annuity derived from the member's
26 accumulated deductions at the time of his severance from the
27 service, and a pension in the amount which, when added to the
28 member's annuity, will provide a total retirement allowance of 1/64
29 of final compensation for each year of service credited as Class A
30 service and 1/55 of final compensation for each year of service
31 credited as class B service, or for a person who becomes a member
32 of the retirement system on or after the effective date of P.L.2010,
33 c.1 1/60 of final compensation for each year of service credited as
34 class B service, calculated in accordance with N.J.S.18A:66-44,
35 with optional privileges provided for in N.J.S.18A:66-47 if he
36 exercises such optional privilege at least 30 days before his
37 attainment of the normal retirement age; provided, that such
38 election is communicated by such member to the retirement system
39 in writing stating at what time subsequent to the execution and
40 filing thereof he desires to be retired; and provided, further, that
41 such member may later elect: (1) to receive the payments provided
42 for in N.J.S.18A:66-37, if he had qualified under that section at the
43 time of leaving service, except that in order to avail himself of the
44 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
45 such optional privilege at least 30 days before the effective date of
46 his retirement; or (2) to withdraw his accumulated deductions with
47 interest as provided in N.J.S.18A:66-34. If such member shall die
48 before attaining service retirement age, then his accumulated

1 deductions, plus regular interest after January 1, 1956, shall be paid
2 in accordance with N.J.S.18A:66-38, and, in addition if such
3 member shall die after attaining service retirement age and has not
4 withdrawn his accumulated deductions, an amount equal to 3/16 of
5 the compensation upon which contributions by the member to the
6 annuity savings fund were based in the last year of creditable
7 service shall be paid to such member's beneficiary.

8 Any member who, having elected to receive a deferred
9 retirement allowance, again becomes an employee covered by the
10 retirement system while under the age of 60 or, if that person
11 became a member of the retirement system on or after the effective
12 date of P.L.2008, c.89, while under the age of 62, shall thereupon
13 be reenrolled. If he had discontinued his service for more than
14 **【two】** seven consecutive years, subsequent contributions shall be at
15 a rate applicable to the age resulting from the subtraction of his
16 years of creditable service at the time of his last discontinuance of
17 contributing membership from his age at the time of his return to
18 service. He shall be credited with all service as a member standing
19 to his credit at the time of his election to receive a deferred
20 retirement allowance.

21 (cf: P.L.2010, c.1, s.8)

22
23 5. Section 7 of P.L. 1969, c.242 (C.18A:66-173) is amended to
24 read as follows:

25 7. (a) When a member of the Teachers' Pension and Annuity
26 Fund or the Public Employees' Retirement System or the Police and
27 Firemen's Retirement System elects to transfer to an alternate
28 benefit program by filing the proper application form declaring his
29 election to participate in such alternate benefit program, the
30 respective retirement system shall transfer the amount of his
31 accumulated deductions as of the date of transfer to his individual
32 account in the program.

33 (b) There shall also be transferred from the contingent reserve
34 fund or the pension fund of the Teachers' Pension and Annuity Fund
35 or the Public Employees' Retirement System or the Police and
36 Firemen's Retirement System or from the Group Annuity Plan to the
37 individual's account in the alternate benefit program, the pension
38 reserve required as of the date of his transfer to provide a pension
39 for each year of service credited to the account of the member as set
40 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
41 section 38 or section 48 of P.L.1954, c.84 as such sections have
42 been amended and supplemented as of July 1, 1969 (C.43:15A-38,
43 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
44 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
45 for each year of service credited under the Group Annuity Plan.
46 Such transfer from the contingent reserve fund or the pension fund
47 of the Teachers' Pension and Annuity Fund or the Public
48 Employees' Retirement System or the Police and Firemen's

1 Retirement System or the Group Annuity Plan shall be made at the
2 time of the member's transfer to the alternate benefit program in the
3 case of any such member who has then met the eligibility
4 requirements for a pension under the aforementioned N.J.S.18A:66-
5 36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954,
6 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
7 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
8 the Group Annuity Plan. In the case of any member who elects to
9 participate in the alternate benefit program who has not then met
10 the eligibility requirements for a pension under N.J.S.18A:66-36 or
11 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954,
12 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
13 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
14 under the Group Annuity Plan, the transfer from the contingent
15 reserve fund or the pension fund of the and Annuity Fund or the
16 Public Employees' Retirement System or the Police and Firemen's
17 Retirement System or the Group Annuity Plan shall be effected at
18 the time such requirements have been met, taking into account for
19 the purpose of such eligibility requirement his years of membership
20 service at the time of his election and his subsequent years of
21 service as a full-time member of the faculty of Rutgers, The State
22 University, the New Jersey Institute of Technology, Rowan
23 University, Montclair State University, Kean University, or the
24 State or county colleges or as an eligible employee of the
25 Department of Higher Education, or at the time he shall have 10
26 years of credit for New Jersey service and becomes physically
27 incapacitated for the performance of duty if he had been a member
28 of the Teachers' Pension and Annuity Fund or the Public
29 Employees' Retirement System or the Police and Firemen's
30 Retirement System as of the date of transfer.

31 The annuity to be used in determining the amount of pension is
32 the actuarial equivalent of the member's accumulated deductions
33 transferred from the Teachers' Pension and Annuity Fund or the
34 Public Employees' Retirement System or the Police and Firemen's
35 Retirement System to the date the member attains 60 years of age, if
36 subsequent to the date of election. The amount of pension is that
37 established by formula within N.J.S.18A:66-44 or section 48 of
38 P.L.1954, c.84 as such sections have been amended and
39 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
40 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
41 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
42 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)
43 enacted subsequent to this act or the Group Annuity Plan shall have
44 no application to the provisions of this act.

45 In the event that the eligibility requirement under N.J.S.18A:66-
46 36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section
47 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity
48 Plan is changed at some future date to permit members to become

1 eligible for such benefit prior to the completion of 15 years of
2 service, the transfer of the reserve from the contingent reserve fund
3 or the pension fund of the Teachers' Pension and Annuity Fund or
4 the Public Employees' Retirement System or the Police and
5 Firemen's Retirement System or from the Group Annuity Plan shall
6 be effective as of the date the member who had elected the alternate
7 benefit program meets the amended eligibility requirement or the
8 effective date of the amendment, whichever is later.

9 In the event an option is available with respect to the distribution
10 of employee and employer contributions between fixed and variable
11 annuities under the alternate benefit program, the employee shall
12 have the right to determine the percentage distribution of these
13 funds subject to any limitations imposed by the designated insurer
14 or insurers.

15 (c) No transfer of pension reserves shall be made pursuant to
16 this section where more than **【two】** seven consecutive years elapse
17 in which no employer contributions to an alternate benefit program
18 are required.

19 (cf: P.L.2021, c.282, s.53)
20

21 6. (New section) a. A person who returns to service with an
22 employer within the time period set forth in N.J.S.18A-66-7 or
23 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
24 the eligibility requirements for enrollment set forth in
25 N.J.S.18A:66-4 for the member's tier at the time of the member's
26 termination of service prior to the return.

27 b. A person who returned to service with an employer prior to
28 the effective date of P.L. , c. (pending before the Legislature as
29 this bill) within the time period set forth in N.J.S.18A-66-7, as
30 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
31 fund in accordance with subsection a. of this section by the Division
32 of Pensions and Benefits and shall be placed in the member's tier at
33 the time of the member's termination of service prior to the return.

34 There shall be no additional contributions imposed on the
35 member or the member's employer.

36 The division shall make such adjustments and transfers as shall
37 be necessary to ensure the enrollment of the member in the fund and
38 placement in the same tier pursuant to this subsection.
39

40 7. This act shall take effect immediately.
41
42

43 STATEMENT 44

45 This bill extends the length of time a member of the Teachers'
46 Pension and Annuity Fund (TPAF) can discontinue their service and
47 still maintain their membership in the TPAF. Under current law,
48 membership in the TPAF ceases if an individual discontinues

1 service for more than two years. This bill extends the period of
2 discontinuance to seven years.

3 This bill also extends the length of time a member who left
4 service for certain qualifying reasons may return to service and
5 includes among the qualifying reasons those who voluntarily left
6 service with 10 or more years of service credit. Under current law,
7 membership in the TPAF may continue if the member returns to
8 service within a period of 10 years from the date of discontinuance
9 from service. This bill extends the period of discontinuance to 25
10 years.

11 Under this bill, a person who returns to service with an employer
12 within the time period of seven or 25 years will be eligible for
13 enrollment in the fund based on the eligibility requirements for
14 enrollment for the member's tier at the time of the member's
15 termination of service prior to the return.

16 This bill requires that a person who returned to service with an
17 employer prior to the effective date of this bill within the time
18 period of seven or 25 years will be enrolled in the fund and will be
19 placed in the member's tier at the time of the member's termination
20 of service prior to the return. There will be no additional
21 contributions imposed on the member or the member's employer.

22 This bill requires the Division of Pensions and Benefits to make
23 such adjustments and transfers as will be necessary to ensure the
24 enrollment of the member in the fund and placement in the same
25 tier pursuant to this bill.

[First Reprint]

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman ROSAURA "ROSY" BAGOLIE

District 27 (Essex and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Co-Sponsored by:

**Assemblywomen Quijano, Reynolds-Jackson, Murphy, Katz,
Assemblyman Miller, Assemblywoman Morales, Assemblyman Rodriguez,
Assemblywomen McCann Stamato, Hall, Peterpaul, Donlon,
Assemblyman Karabinchak, Assemblywoman Drulis, Assemblymen
Bailey, Freiman, Sampson, Assemblywomen Speight, Swain and
Assemblyman Tully**

SYNOPSIS

Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on June 24, 2024, with amendments.

(Sponsorship Updated As Of: 6/28/2024)

1 **AN ACT** concerning the return to service of members of the
2 Teachers' Pension and Annuity Fund, amending various parts of
3 the statutory law and supplementing chapter 66 of Title 18A of
4 the New Jersey Statutes.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

- 8
9 1. N.J.S.18A:66-7 is amended to read as follows:
10 18A:66-7. Membership of any person shall cease:
11 (a) if, except as provided in N.J.S.18A:66-8, he shall
12 discontinue his service for more than **[two]** ¹~~seven~~ ¹⁰
13 consecutive years;
14 (b) upon the withdrawal by a member of his accumulated
15 deductions as provided in this article;
16 (c) upon resignation and election to receive, in lieu of the return
17 of his accumulated deductions, the benefits provided in
18 N.J.S.18A:66-36 and N.J.S.18A:66-37;
19 (d) upon retirement;
20 (e) at death;
21 but not otherwise except as provided in this article.

22 The pension fund shall send written notice in care of the last
23 employer of a member at least 60 days in advance of the date on
24 which his inactive membership shall expire as provided in
25 subsection (a) of this section.
26 (cf: P.L.1967, c.271, s.1)

- 27
28 2. N.J.S.18A:66-8 is amended to read as follows:
29 18A:66-8. a. If a teacher:
30 (1) is dismissed by an employer by reason of reduction in
31 number of teachers employed in the school district, institution or
32 department when in the judgment of the employer it is advisable to
33 abolish any office, position or employment for reasons of a
34 reduction in the number of pupils, economy, a change in the
35 administrative or supervisory organization or other good cause; or
36 becomes unemployed by reason of the creation of a regional school
37 district or a consolidated school district; or has been discontinued
38 from service without personal fault or through leave of absence
39 granted by an employer or permitted by any law of this State; or
40 meets the eligibility requirements of N.J.S.18A:66-36; and
41 (2) has not withdrawn the accumulated member's contributions
42 from the retirement system, the teacher's membership may continue,
43 notwithstanding any provisions of this article, if the member returns

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted June 24, 2024.

1 to service within a period of **[10]** ¹**[25]** 15 years from the date of
2 discontinuance from service.

3 No credit for retirement purposes shall be allowed to the member
4 covering the period of discontinuance, except as provided in this
5 section. In computing the service or in computing final
6 compensation, no time after September 1, 1919, during which a
7 member shall have been employed as a teacher at an annual salary
8 or remuneration, or a number of hours of work, fixed at less than
9 that which is required for membership pursuant to N.J.S.18A:66-4
10 as applicable to the member shall be credited. In computing the
11 service or in computing final compensation, no time after the
12 effective date of P.L.2010, c.1, during which a member shall have
13 been employed as a teacher for fewer than 32 hours per week shall
14 be credited, unless the member shall have been a member since that
15 effective date continuously. In the case of a veteran member credit
16 shall be given for service rendered prior to January 1, 1955, in an
17 employment, office or position if the annual salary or remuneration
18 therefor was fixed at not less than \$300.00 and the service consisted
19 of the performance of the full duties of the employment, office or
20 position.

21 b. A teacher may purchase credit for time during which the
22 teacher shall have been absent on an official leave without pay. The
23 credit shall be purchased for a period of time equal to:

24 (1) three months or the duration of the leave, whichever is less;
25 or

26 (2) if the leave was due to the member's personal illness, two
27 years or the duration of the leave, whichever is less; or

28 (3) the period of leave that is specifically allowed for retirement
29 purposes by the provisions of any law of this State.

30 The purchase shall be made in the same manner and be subject to
31 the same terms and conditions provided for the purchase of previous
32 membership service by N.J.S.18A:66-9.

33 (cf: P.L.2010, c.1, s.2)

34

35 3. N.J.S. 18A:66-15 is amended to read as follows:

36 18A:66-15. In computing for retirement or for purposes of
37 resignation or separation from service under N.J.S.18A:66-36 and
38 N.J.S.18A:66-37 the total service of a member about to be retired,
39 the retirement system shall credit him with all service rendered by
40 him since he last became a member and in addition, with all the
41 service to which he is entitled and with no other service. Except as
42 otherwise provided in this article, such service credit shall be final
43 and conclusive for retirement purposes, or for purposes of
44 resignation under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the
45 member shall discontinue his service for more than **[two]** ¹**[seven]**
46 10 consecutive years. In the case of a member for whom
47 compensation is defined in paragraph (2) of subsection d. of
48 N.J.S.18A:66-2, the retirement system shall credit the member with

1 the time of all service rendered by the member during the part of
2 any year that the member was a participant of the Defined
3 Contribution Retirement Program, pursuant to paragraph (5) of
4 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2) as
5 amended by section 12 of P.L.2007, c.103, and making
6 contributions to that program.

7 For the purpose of computing service for retirement purposes,
8 the board of trustees shall fix and determine by appropriate rules
9 and regulations how much service in any year shall equal a year of
10 service and part of a year of service. Not more than one year shall
11 be credited for all service in a calendar year.

12 (cf: P.L.2007, c.103, s.17)

13
14 4. N.J.S.18A:66-36 is amended to read as follows:

15 18A:66-36. Should a member of the Teachers' Pension and
16 Annuity Fund, after having completed 10 years of service, be
17 separated voluntarily or involuntarily from the service, before
18 reaching service retirement age, and not by removal for conduct
19 unbecoming a teacher or other just cause under the provisions of
20 N.J.S.18A:28-4 to N.J.S.18A:28-5 and N.J.S.18A:28-9 to
21 N.J.S.18A:28-13 inclusive, such person may elect to receive, in lieu
22 of the payment provided in N.J.S.18A:66-34:

23 a. The payments provided for in N.J.S.18A:66-37, if he so
24 qualified under said section; or

25 b. A deferred retirement allowance beginning at age 60, or for
26 a person who becomes a member of the retirement system on or
27 after the effective date of P.L.2008, c.89 beginning at age 62, which
28 shall be made up of an annuity derived from the member's
29 accumulated deductions at the time of his severance from the
30 service, and a pension in the amount which, when added to the
31 member's annuity, will provide a total retirement allowance of 1/64
32 of final compensation for each year of service credited as Class A
33 service and 1/55 of final compensation for each year of service
34 credited as class B service, or for a person who becomes a member
35 of the retirement system on or after the effective date of P.L.2010,
36 c.1 1/60 of final compensation for each year of service credited as
37 class B service, calculated in accordance with N.J.S.18A:66-44,
38 with optional privileges provided for in N.J.S.18A:66-47 if he
39 exercises such optional privilege at least 30 days before his
40 attainment of the normal retirement age; provided, that such
41 election is communicated by such member to the retirement system
42 in writing stating at what time subsequent to the execution and
43 filing thereof he desires to be retired; and provided, further, that
44 such member may later elect: (1) to receive the payments provided
45 for in N.J.S.18A:66-37, if he had qualified under that section at the
46 time of leaving service, except that in order to avail himself of the
47 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
48 such optional privilege at least 30 days before the effective date of

1 his retirement; or (2) to withdraw his accumulated deductions with
2 interest as provided in N.J.S.18A:66-34. If such member shall die
3 before attaining service retirement age, then his accumulated
4 deductions, plus regular interest after January 1, 1956, shall be paid
5 in accordance with N.J.S.18A:66-38, and, in addition if such
6 member shall die after attaining service retirement age and has not
7 withdrawn his accumulated deductions, an amount equal to 3/16 of
8 the compensation upon which contributions by the member to the
9 annuity savings fund were based in the last year of creditable
10 service shall be paid to such member's beneficiary.

11 Any member who, having elected to receive a deferred
12 retirement allowance, again becomes an employee covered by the
13 retirement system while under the age of 60 or, if that person
14 became a member of the retirement system on or after the effective
15 date of P.L.2008, c.89, while under the age of 62, shall thereupon
16 be reenrolled. If he had discontinued his service for more than
17 **[two]** ¹**[seven]** 10¹ consecutive years, subsequent contributions
18 shall be at a rate applicable to the age resulting from the subtraction
19 of his years of creditable service at the time of his last
20 discontinuance of contributing membership from his age at the time
21 of his return to service. He shall be credited with all service as a
22 member standing to his credit at the time of his election to receive a
23 deferred retirement allowance.
24 (cf: P.L.2010, c.1, s.8)

25

26 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
27 read as follows:

28 7. (a) When a member of the Teachers' Pension and Annuity
29 Fund or the Public Employees' Retirement System or the Police and
30 Firemen's Retirement System elects to transfer to an alternate
31 benefit program by filing the proper application form declaring his
32 election to participate in such alternate benefit program, the
33 respective retirement system shall transfer the amount of his
34 accumulated deductions as of the date of transfer to his individual
35 account in the program.

36 (b) There shall also be transferred from the contingent reserve
37 fund or the pension fund of the Teachers' Pension and Annuity Fund
38 or the Public Employees' Retirement System or the Police and
39 Firemen's Retirement System or from the Group Annuity Plan to the
40 individual's account in the alternate benefit program, the pension
41 reserve required as of the date of his transfer to provide a pension
42 for each year of service credited to the account of the member as set
43 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
44 section 38 or section 48 of P.L.1954, c.84 as such sections have
45 been amended and supplemented as of July 1, 1969 (C.43:15A-38,
46 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
47 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
48 for each year of service credited under the Group Annuity Plan.

1 Such transfer from the contingent reserve fund or the pension fund
2 of the Teachers' Pension and Annuity Fund or the Public
3 Employees' Retirement System or the Police and Firemen's
4 Retirement System or the Group Annuity Plan shall be made at the
5 time of the member's transfer to the alternate benefit program in the
6 case of any such member who has then met the eligibility
7 requirements for a pension under the aforementioned N.J.S.18A:66-
8 36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954,
9 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
10 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
11 the Group Annuity Plan. In the case of any member who elects to
12 participate in the alternate benefit program who has not then met
13 the eligibility requirements for a pension under N.J.S.18A:66-36 or
14 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954,
15 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
16 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
17 under the Group Annuity Plan, the transfer from the contingent
18 reserve fund or the pension fund of the and Annuity Fund or the
19 Public Employees' Retirement System or the Police and Firemen's
20 Retirement System or the Group Annuity Plan shall be effected at
21 the time such requirements have been met, taking into account for
22 the purpose of such eligibility requirement his years of membership
23 service at the time of his election and his subsequent years of
24 service as a full-time member of the faculty of Rutgers, The State
25 University, the New Jersey Institute of Technology, Rowan
26 University, Montclair State University, Kean University, or the
27 State or county colleges or as an eligible employee of the
28 Department of Higher Education, or at the time he shall have 10
29 years of credit for New Jersey service and becomes physically
30 incapacitated for the performance of duty if he had been a member
31 of the Teachers' Pension and Annuity Fund or the Public
32 Employees' Retirement System or the Police and Firemen's
33 Retirement System as of the date of transfer.

34 The annuity to be used in determining the amount of pension is
35 the actuarial equivalent of the member's accumulated deductions
36 transferred from the Teachers' Pension and Annuity Fund or the
37 Public Employees' Retirement System or the Police and Firemen's
38 Retirement System to the date the member attains 60 years of age, if
39 subsequent to the date of election. The amount of pension is that
40 established by formula within N.J.S.18A:66-44 or section 48 of
41 P.L.1954, c.84 as such sections have been amended and
42 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
43 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
44 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
45 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)
46 enacted subsequent to this act or the Group Annuity Plan shall have
47 no application to the provisions of this act.

1 In the event that the eligibility requirement under N.J.S.18A:66-
2 36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section
3 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity
4 Plan is changed at some future date to permit members to become
5 eligible for such benefit prior to the completion of 15 years of
6 service, the transfer of the reserve from the contingent reserve fund
7 or the pension fund of the Teachers' Pension and Annuity Fund or
8 the Public Employees' Retirement System or the Police and
9 Firemen's Retirement System or from the Group Annuity Plan shall
10 be effective as of the date the member who had elected the alternate
11 benefit program meets the amended eligibility requirement or the
12 effective date of the amendment, whichever is later.

13 In the event an option is available with respect to the distribution
14 of employee and employer contributions between fixed and variable
15 annuities under the alternate benefit program, the employee shall
16 have the right to determine the percentage distribution of these
17 funds subject to any limitations imposed by the designated insurer
18 or insurers.

19 (c) No transfer of pension reserves shall be made pursuant to
20 this section where more than **two** ¹~~seven~~ 10¹ consecutive years
21 elapse in which no employer contributions to an alternate benefit
22 program are required.

23 (cf: P.L.2021, c.282, s.53)
24

25 6. (New section) a. A person who returns to service with an
26 employer within the time period set forth in N.J.S.18A:66-7 or
27 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
28 the eligibility requirements for enrollment set forth in
29 N.J.S.18A:66-4 for the member's tier at the time of the member's
30 termination of service prior to the return.

31 b. A person who returned to service with an employer prior to
32 the effective date of P.L. , c. (pending before the Legislature as
33 this bill) within the time period set forth in N.J.S.18A:66-7, as
34 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
35 fund in accordance with subsection a. of this section by the Division
36 of Pensions and Benefits and shall be placed in the member's tier at
37 the time of the member's termination of service prior to the return.

38 There shall be no additional contributions imposed on the
39 member or the member's employer.

40 The division shall make such adjustments and transfers as shall
41 be necessary to ensure the enrollment of the member in the fund and
42 placement in the same tier pursuant to this subsection.
43

44 7. This act shall take effect immediately.

[Second Reprint]

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman ROSAURA "ROSY" BAGOLIE

District 27 (Essex and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblywomen Quijano, Reynolds-Jackson, Murphy, Katz, Assemblyman Miller, Assemblywoman Morales, Assemblyman Rodriguez, Assemblywomen McCann Stamato, Hall, Peterpaul, Donlon, Assemblyman Karabinchak, Assemblywoman Drulis, Assemblymen Bailey, Freiman, Sampson, Assemblywomen Speight, Swain, Assemblyman Tully, Senators Singleton, Turner, Diegnan, Cruz-Perez, Timberlake, Bramnick, Cryan, Burgess, Wimberly, Assemblyman Singh, Assemblywomen McCoy, Ramirez, Carter and Assemblyman Calabrese

SYNOPSIS

Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on March 17, 2025, with amendments.

(Sponsorship Updated As Of: 6/30/2025)

1 **AN ACT** concerning the return to service of members of the
 2 Teachers' Pension and Annuity Fund, amending various parts of
 3 the statutory law and supplementing chapter 66 of Title 18A of
 4 the New Jersey Statutes.

5
 6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 7 *of New Jersey:*

- 8
 9 1. N.J.S.18A:66-7 is amended to read as follows:
 10 18A:66-7. Membership of any person shall cease:
 11 (a) if, except as provided in N.J.S.18A:66-8, he shall
 12 discontinue his service for more than **[two]** ¹~~seven~~ ¹⁰
 13 consecutive years;
 14 (b) upon the withdrawal by a member of his accumulated
 15 deductions as provided in this article;
 16 (c) upon resignation and election to receive, in lieu of the return
 17 of his accumulated deductions, the benefits provided in
 18 N.J.S.18A:66-36 and N.J.S.18A:66-37;
 19 (d) upon retirement;
 20 (e) at death;
 21 but not otherwise except as provided in this article.

22 The pension fund shall send written notice in care of the last
 23 employer of a member at least 60 days in advance of the date on
 24 which his inactive membership shall expire as provided in
 25 subsection (a) of this section.
 26 (cf: P.L.1967, c.271, s.1)

- 27
 28 2. N.J.S.18A:66-8 is amended to read as follows:
 29 18A:66-8. a. If a teacher:
 30 (1) is dismissed by an employer by reason of reduction in
 31 number of teachers employed in the school district, institution or
 32 department when in the judgment of the employer it is advisable to
 33 abolish any office, position or employment for reasons of a
 34 reduction in the number of pupils, economy, a change in the
 35 administrative or supervisory organization or other good cause; or
 36 becomes unemployed by reason of the creation of a regional school
 37 district or a consolidated school district; or has been discontinued
 38 from service without personal fault or through leave of absence
 39 granted by an employer or permitted by any law of this State; or
 40 meets the eligibility requirements of N.J.S.18A:66-36; and
 41 (2) has not withdrawn the accumulated member's contributions
 42 from the retirement system, the teacher's membership may continue,
 43 notwithstanding any provisions of this article, if the member returns
 44 to service within a period of **[10]** ¹~~25~~ ¹⁵ years from the date of

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted June 24, 2024.

²Senate SBA committee amendments adopted March 17, 2025.

1 discontinuance from service ², provided, however, that this
2 paragraph shall be administered consistent with rules governing
3 minimum required distributions from a qualified retirement plan, as
4 those terms are defined pursuant to section 4974 of the federal
5 Internal Revenue Code of 1986, 26 U.S.C. s. 4974².

6 No credit for retirement purposes shall be allowed to the member
7 covering the period of discontinuance, except as provided in this
8 section. In computing the service or in computing final
9 compensation, no time after September 1, 1919, during which a
10 member shall have been employed as a teacher at an annual salary
11 or remuneration, or a number of hours of work, fixed at less than
12 that which is required for membership pursuant to N.J.S.18A:66-4
13 as applicable to the member shall be credited. In computing the
14 service or in computing final compensation, no time after the
15 effective date of P.L.2010, c.1, during which a member shall have
16 been employed as a teacher for fewer than 32 hours per week shall
17 be credited, unless the member shall have been a member since that
18 effective date continuously. In the case of a veteran member credit
19 shall be given for service rendered prior to January 1, 1955, in an
20 employment, office or position if the annual salary or remuneration
21 therefor was fixed at not less than \$300.00 and the service consisted
22 of the performance of the full duties of the employment, office or
23 position.

24 b. A teacher may purchase credit for time during which the
25 teacher shall have been absent on an official leave without pay. The
26 credit shall be purchased for a period of time equal to:

27 (1) three months or the duration of the leave, whichever is less;

28 or

29 (2) if the leave was due to the member's personal illness, two
30 years or the duration of the leave, whichever is less; or

31 (3) the period of leave that is specifically allowed for retirement
32 purposes by the provisions of any law of this State.

33 The purchase shall be made in the same manner and be subject to
34 the same terms and conditions provided for the purchase of previous
35 membership service by N.J.S.18A:66-9.

36 (cf: P.L.2010, c.1, s.2)

37
38 3. N.J.S. 18A:66-15 is amended to read as follows:

39 18A:66-15. In computing for retirement or for purposes of
40 resignation or separation from service under N.J.S.18A:66-36 and
41 N.J.S.18A:66-37 the total service of a member about to be retired,
42 the retirement system shall credit him with all service rendered by
43 him since he last became a member and in addition, with all the
44 service to which he is entitled and with no other service. Except as
45 otherwise provided in this article, such service credit shall be final
46 and conclusive for retirement purposes, or for purposes of
47 resignation under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the
48 member shall discontinue his service for more than **[two]** ¹**[seven]**

1 10¹ consecutive years. In the case of a member for whom
2 compensation is defined in paragraph (2) of subsection d. of
3 N.J.S.18A:66-2, the retirement system shall credit the member with
4 the time of all service rendered by the member during the part of
5 any year that the member was a participant of the Defined
6 Contribution Retirement Program, pursuant to paragraph (5) of
7 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2) as
8 amended by section 12 of P.L.2007, c.103, and making
9 contributions to that program.

10 For the purpose of computing service for retirement purposes,
11 the board of trustees shall fix and determine by appropriate rules
12 and regulations how much service in any year shall equal a year of
13 service and part of a year of service. Not more than one year shall
14 be credited for all service in a calendar year.
15 (cf: P.L.2007, c.103, s.17)

16

17 4. N.J.S.18A:66-36 is amended to read as follows:

18 18A:66-36. Should a member of the Teachers' Pension and
19 Annuity Fund, after having completed 10 years of service, be
20 separated voluntarily or involuntarily from the service, before
21 reaching service retirement age, and not by removal for conduct
22 unbecoming a teacher or other just cause under the provisions of
23 N.J.S.18A:28-4 to N.J.S.18A:28-5 and N.J.S.18A:28-9 to
24 N.J.S.18A:28-13 inclusive, such person may elect to receive, in lieu
25 of the payment provided in N.J.S.18A:66-34:

26 a. The payments provided for in N.J.S.18A:66-37, if he so
27 qualified under said section; or

28 b. A deferred retirement allowance beginning at age 60, or for
29 a person who becomes a member of the retirement system on or
30 after the effective date of P.L.2008, c.89 beginning at age 62, which
31 shall be made up of an annuity derived from the member's
32 accumulated deductions at the time of his severance from the
33 service, and a pension in the amount which, when added to the
34 member's annuity, will provide a total retirement allowance of 1/64
35 of final compensation for each year of service credited as Class A
36 service and 1/55 of final compensation for each year of service
37 credited as class B service, or for a person who becomes a member
38 of the retirement system on or after the effective date of P.L.2010,
39 c.1 1/60 of final compensation for each year of service credited as
40 class B service, calculated in accordance with N.J.S.18A:66-44,
41 with optional privileges provided for in N.J.S.18A:66-47 if he
42 exercises such optional privilege at least 30 days before his
43 attainment of the normal retirement age; provided, that such
44 election is communicated by such member to the retirement system
45 in writing stating at what time subsequent to the execution and
46 filing thereof he desires to be retired; and provided, further, that
47 such member may later elect: (1) to receive the payments provided
48 for in N.J.S.18A:66-37, if he had qualified under that section at the

1 time of leaving service, except that in order to avail himself of the
2 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
3 such optional privilege at least 30 days before the effective date of
4 his retirement; or (2) to withdraw his accumulated deductions with
5 interest as provided in N.J.S.18A:66-34. If such member shall die
6 before attaining service retirement age, then his accumulated
7 deductions, plus regular interest after January 1, 1956, shall be paid
8 in accordance with N.J.S.18A:66-38, and, in addition if such
9 member shall die after attaining service retirement age and has not
10 withdrawn his accumulated deductions, an amount equal to 3/16 of
11 the compensation upon which contributions by the member to the
12 annuity savings fund were based in the last year of creditable
13 service shall be paid to such member's beneficiary.

14 Any member who, having elected to receive a deferred
15 retirement allowance, again becomes an employee covered by the
16 retirement system while under the age of 60 or, if that person
17 became a member of the retirement system on or after the effective
18 date of P.L.2008, c.89, while under the age of 62, shall thereupon
19 be reenrolled. If he had discontinued his service for more than
20 **[two]** ¹**[seven]** ¹⁰ consecutive years, subsequent contributions
21 shall be at a rate applicable to the age resulting from the subtraction
22 of his years of creditable service at the time of his last
23 discontinuance of contributing membership from his age at the time
24 of his return to service. He shall be credited with all service as a
25 member standing to his credit at the time of his election to receive a
26 deferred retirement allowance.

27 (cf: P.L.2010, c.1, s.8)

28

29 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
30 read as follows:

31 7. (a) When a member of the Teachers' Pension and Annuity
32 Fund or the Public Employees' Retirement System or the Police and
33 Firemen's Retirement System elects to transfer to an alternate
34 benefit program by filing the proper application form declaring his
35 election to participate in such alternate benefit program, the
36 respective retirement system shall transfer the amount of his
37 accumulated deductions as of the date of transfer to his individual
38 account in the program.

39 (b) There shall also be transferred from the contingent reserve
40 fund or the pension fund of the Teachers' Pension and Annuity Fund
41 or the Public Employees' Retirement System or the Police and
42 Firemen's Retirement System or from the Group Annuity Plan to the
43 individual's account in the alternate benefit program, the pension
44 reserve required as of the date of his transfer to provide a pension
45 for each year of service credited to the account of the member as set
46 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
47 section 38 or section 48 of P.L.1954, c.84 as such sections have
48 been amended and supplemented as of July 1, 1969 (C.43:15A-38,

1 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
2 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
3 for each year of service credited under the Group Annuity Plan.
4 Such transfer from the contingent reserve fund or the pension fund
5 of the Teachers' Pension and Annuity Fund or the Public
6 Employees' Retirement System or the Police and Firemen's
7 Retirement System or the Group Annuity Plan shall be made at the
8 time of the member's transfer to the alternate benefit program in the
9 case of any such member who has then met the eligibility
10 requirements for a pension under the aforementioned N.J.S.18A:66-
11 36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954,
12 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
13 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
14 the Group Annuity Plan. In the case of any member who elects to
15 participate in the alternate benefit program who has not then met
16 the eligibility requirements for a pension under N.J.S.18A:66-36 or
17 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954,
18 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
19 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
20 under the Group Annuity Plan, the transfer from the contingent
21 reserve fund or the pension fund of the and Annuity Fund or the
22 Public Employees' Retirement System or the Police and Firemen's
23 Retirement System or the Group Annuity Plan shall be effected at
24 the time such requirements have been met, taking into account for
25 the purpose of such eligibility requirement his years of membership
26 service at the time of his election and his subsequent years of
27 service as a full-time member of the faculty of Rutgers, The State
28 University, the New Jersey Institute of Technology, Rowan
29 University, Montclair State University, Kean University, or the
30 State or county colleges or as an eligible employee of the
31 Department of Higher Education, or at the time he shall have 10
32 years of credit for New Jersey service and becomes physically
33 incapacitated for the performance of duty if he had been a member
34 of the Teachers' Pension and Annuity Fund or the Public
35 Employees' Retirement System or the Police and Firemen's
36 Retirement System as of the date of transfer.

37 The annuity to be used in determining the amount of pension is
38 the actuarial equivalent of the member's accumulated deductions
39 transferred from the Teachers' Pension and Annuity Fund or the
40 Public Employees' Retirement System or the Police and Firemen's
41 Retirement System to the date the member attains 60 years of age, if
42 subsequent to the date of election. The amount of pension is that
43 established by formula within N.J.S.18A:66-44 or section 48 of
44 P.L.1954, c.84 as such sections have been amended and
45 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
46 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
47 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
48 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)

1 enacted subsequent to this act or the Group Annuity Plan shall have
2 no application to the provisions of this act.

3 In the event that the eligibility requirement under N.J.S.18A:66-
4 36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section
5 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity
6 Plan is changed at some future date to permit members to become
7 eligible for such benefit prior to the completion of 15 years of
8 service, the transfer of the reserve from the contingent reserve fund
9 or the pension fund of the Teachers' Pension and Annuity Fund or
10 the Public Employees' Retirement System or the Police and
11 Firemen's Retirement System or from the Group Annuity Plan shall
12 be effective as of the date the member who had elected the alternate
13 benefit program meets the amended eligibility requirement or the
14 effective date of the amendment, whichever is later.

15 In the event an option is available with respect to the distribution
16 of employee and employer contributions between fixed and variable
17 annuities under the alternate benefit program, the employee shall
18 have the right to determine the percentage distribution of these
19 funds subject to any limitations imposed by the designated insurer
20 or insurers.

21 (c) No transfer of pension reserves shall be made pursuant to
22 this section where more than **[two]** ¹~~**[seven]**~~ 10¹ consecutive years
23 elapse in which no employer contributions to an alternate benefit
24 program are required.

25 (cf: P.L.2021, c.282, s.53)

26

27 6. (New section) a. A person who returns to service with an
28 employer within the time period set forth in N.J.S.18A:66-7 or
29 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
30 the eligibility requirements for enrollment set forth in
31 N.J.S.18A:66-4 for the member's tier at the time of the member's
32 termination of service prior to the return.

33 b. A person who returned to service with an employer prior to
34 the effective date of P.L. , c. (pending before the Legislature as
35 this bill) within the time period set forth in N.J.S.18A:66-7, as
36 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
37 fund in accordance with subsection a. of this section by the Division
38 of Pensions and Benefits and shall be placed in the member's tier at
39 the time of the member's termination of service prior to the return.

40 There shall be no additional contributions imposed on the
41 member or the member's employer.

42 The division shall make such adjustments and transfers as shall
43 be necessary to ensure the enrollment of the member in the fund and
44 placement in the same tier pursuant to this subsection.

45

46 7. This act shall take effect immediately.

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman ROSAURA "ROSY" BAGOLIE

District 27 (Essex and Passaic)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Co-Sponsored by:

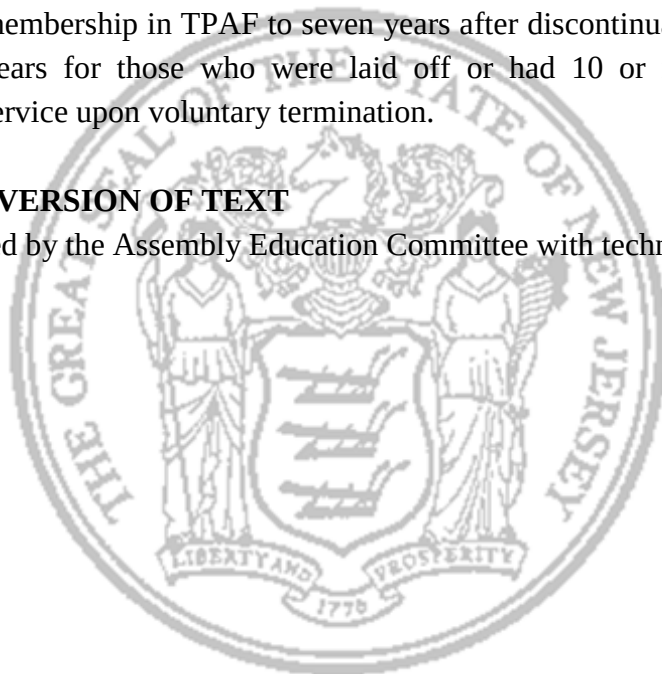
**Assemblywomen Quijano, Reynolds-Jackson, Murphy, Katz,
Assemblyman Miller, Assemblywoman Morales, Assemblyman Rodriguez,
Assemblywomen McCann Stamato, Hall, Peterpaul, Donlon,
Assemblyman Karabinchak, Assemblywoman Drulis and Assemblyman
Bailey**

SYNOPSIS

Extends membership in TPAF to seven years after discontinuance of service and to 25 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

As reported by the Assembly Education Committee with technical review.



(Sponsorship Updated As Of: 6/20/2024)

1 **AN ACT** concerning the return to service of members of the
 2 Teachers' Pension and Annuity Fund, amending various parts of
 3 the statutory law and supplementing chapter 66 of Title 18A of
 4 the New Jersey Statutes.

5
 6 **BE IT ENACTED** by the Senate and General Assembly of the State
 7 of New Jersey:

- 8
 9 1. N.J.S.18A:66-7 is amended to read as follows:
 10 18A:66-7. Membership of any person shall cease:
 11 (a) if, except as provided in N.J.S.18A:66-8, he shall
 12 discontinue his service for more than **[two]** seven consecutive
 13 years;
 14 (b) upon the withdrawal by a member of his accumulated
 15 deductions as provided in this article;
 16 (c) upon resignation and election to receive, in lieu of the return
 17 of his accumulated deductions, the benefits provided in
 18 N.J.S.18A:66-36 and N.J.S.18A:66-37;
 19 (d) upon retirement;
 20 (e) at death;
 21 but not otherwise except as provided in this article.

22 The pension fund shall send written notice in care of the last
 23 employer of a member at least 60 days in advance of the date on
 24 which his inactive membership shall expire as provided in
 25 subsection (a) of this section.
 26 (cf: P.L.1967, c.271, s.1)

- 27
 28 2. N.J.S.18A:66-8 is amended to read as follows:
 29 18A:66-8. a. If a teacher:
 30 (1) is dismissed by an employer by reason of reduction in
 31 number of teachers employed in the school district, institution or
 32 department when in the judgment of the employer it is advisable to
 33 abolish any office, position or employment for reasons of a
 34 reduction in the number of pupils, economy, a change in the
 35 administrative or supervisory organization or other good cause; or
 36 becomes unemployed by reason of the creation of a regional school
 37 district or a consolidated school district; or has been discontinued
 38 from service without personal fault or through leave of absence
 39 granted by an employer or permitted by any law of this State; or
 40 meets the eligibility requirements of N.J.S.18A:66-36; and
 41 (2) has not withdrawn the accumulated member's contributions
 42 from the retirement system, the teacher's membership may continue,
 43 notwithstanding any provisions of this article, if the member returns
 44 to service within a period of **[10]** 25 years from the date of
 45 discontinuance from service.

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 underlined thus is new matter.

1 No credit for retirement purposes shall be allowed to the member
2 covering the period of discontinuance, except as provided in this
3 section. In computing the service or in computing final
4 compensation, no time after September 1, 1919, during which a
5 member shall have been employed as a teacher at an annual salary
6 or remuneration, or a number of hours of work, fixed at less than
7 that which is required for membership pursuant to N.J.S.18A:66-4
8 as applicable to the member shall be credited. In computing the
9 service or in computing final compensation, no time after the
10 effective date of P.L.2010, c.1, during which a member shall have
11 been employed as a teacher for fewer than 32 hours per week shall
12 be credited, unless the member shall have been a member since that
13 effective date continuously. In the case of a veteran member credit
14 shall be given for service rendered prior to January 1, 1955, in an
15 employment, office or position if the annual salary or remuneration
16 therefor was fixed at not less than \$300.00 and the service consisted
17 of the performance of the full duties of the employment, office or
18 position.

19 b. A teacher may purchase credit for time during which the
20 teacher shall have been absent on an official leave without pay. The
21 credit shall be purchased for a period of time equal to:

22 (1) three months or the duration of the leave, whichever is less;
23 or

24 (2) if the leave was due to the member's personal illness, two
25 years or the duration of the leave, whichever is less; or

26 (3) the period of leave that is specifically allowed for retirement
27 purposes by the provisions of any law of this State.

28 The purchase shall be made in the same manner and be subject to
29 the same terms and conditions provided for the purchase of previous
30 membership service by N.J.S.18A:66-9.

31 (cf: P.L.2010, c.1, s.2)

32

33 3. N.J.S. 18A:66-15 is amended to read as follows:

34 18A:66-15. In computing for retirement or for purposes of
35 resignation or separation from service under N.J.S.18A:66-36 and
36 N.J.S.18A:66-37 the total service of a member about to be retired,
37 the retirement system shall credit him with all service rendered by
38 him since he last became a member and in addition, with all the
39 service to which he is entitled and with no other service. Except as
40 otherwise provided in this article, such service credit shall be final
41 and conclusive for retirement purposes, or for purposes of
42 resignation under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the
43 member shall discontinue his service for more than **【two】 seven**
44 consecutive years. In the case of a member for whom compensation
45 is defined in paragraph (2) of subsection d. of N.J.S.18A:66-2, the
46 retirement system shall credit the member with the time of all
47 service rendered by the member during the part of any year that the
48 member was a participant of the Defined Contribution Retirement

1 Program, pursuant to paragraph (5) of subsection a. of section 2 of
2 P.L.2007, c.92 (C.43:15C-2) as amended by section 12 of P.L.2007,
3 c.103, and making contributions to that program.

4 For the purpose of computing service for retirement purposes,
5 the board of trustees shall fix and determine by appropriate rules
6 and regulations how much service in any year shall equal a year of
7 service and part of a year of service. Not more than one year shall
8 be credited for all service in a calendar year.
9 (cf: P.L.2007, c.103, s.17)

10

11 4. N.J.S.18A:66-36 is amended to read as follows:

12 18A:66-36. Should a member of the Teachers' Pension and
13 Annuity Fund, after having completed 10 years of service, be
14 separated voluntarily or involuntarily from the service, before
15 reaching service retirement age, and not by removal for conduct
16 unbecoming a teacher or other just cause under the provisions of
17 N.J.S.18A:28-4 to N.J.S.18A:28-5 and N.J.S.18A:28-9 to
18 N.J.S.18A:28-13 inclusive, such person may elect to receive, in lieu
19 of the payment provided in N.J.S.18A:66-34:

20 a. The payments provided for in N.J.S.18A:66-37, if he so
21 qualified under said section; or

22 b. A deferred retirement allowance beginning at age 60, or for
23 a person who becomes a member of the retirement system on or
24 after the effective date of P.L.2008, c.89 beginning at age 62, which
25 shall be made up of an annuity derived from the member's
26 accumulated deductions at the time of his severance from the
27 service, and a pension in the amount which, when added to the
28 member's annuity, will provide a total retirement allowance of 1/64
29 of final compensation for each year of service credited as Class A
30 service and 1/55 of final compensation for each year of service
31 credited as class B service, or for a person who becomes a member
32 of the retirement system on or after the effective date of P.L.2010,
33 c.1 1/60 of final compensation for each year of service credited as
34 class B service, calculated in accordance with N.J.S.18A:66-44,
35 with optional privileges provided for in N.J.S.18A:66-47 if he
36 exercises such optional privilege at least 30 days before his
37 attainment of the normal retirement age; provided, that such
38 election is communicated by such member to the retirement system
39 in writing stating at what time subsequent to the execution and
40 filing thereof he desires to be retired; and provided, further, that
41 such member may later elect: (1) to receive the payments provided
42 for in N.J.S.18A:66-37, if he had qualified under that section at the
43 time of leaving service, except that in order to avail himself of the
44 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
45 such optional privilege at least 30 days before the effective date of
46 his retirement; or (2) to withdraw his accumulated deductions with
47 interest as provided in N.J.S.18A:66-34. If such member shall die
48 before attaining service retirement age, then his accumulated

1 deductions, plus regular interest after January 1, 1956, shall be paid
2 in accordance with N.J.S.18A:66-38, and, in addition if such
3 member shall die after attaining service retirement age and has not
4 withdrawn his accumulated deductions, an amount equal to 3/16 of
5 the compensation upon which contributions by the member to the
6 annuity savings fund were based in the last year of creditable
7 service shall be paid to such member's beneficiary.

8 Any member who, having elected to receive a deferred
9 retirement allowance, again becomes an employee covered by the
10 retirement system while under the age of 60 or, if that person
11 became a member of the retirement system on or after the effective
12 date of P.L.2008, c.89, while under the age of 62, shall thereupon
13 be reenrolled. If he had discontinued his service for more than
14 **【two】** seven consecutive years, subsequent contributions shall be at
15 a rate applicable to the age resulting from the subtraction of his
16 years of creditable service at the time of his last discontinuance of
17 contributing membership from his age at the time of his return to
18 service. He shall be credited with all service as a member standing
19 to his credit at the time of his election to receive a deferred
20 retirement allowance.

21 (cf: P.L.2010, c.1, s.8)

22
23 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
24 read as follows:

25 7. (a) When a member of the Teachers' Pension and Annuity
26 Fund or the Public Employees' Retirement System or the Police and
27 Firemen's Retirement System elects to transfer to an alternate
28 benefit program by filing the proper application form declaring his
29 election to participate in such alternate benefit program, the
30 respective retirement system shall transfer the amount of his
31 accumulated deductions as of the date of transfer to his individual
32 account in the program.

33 (b) There shall also be transferred from the contingent reserve
34 fund or the pension fund of the Teachers' Pension and Annuity Fund
35 or the Public Employees' Retirement System or the Police and
36 Firemen's Retirement System or from the Group Annuity Plan to the
37 individual's account in the alternate benefit program, the pension
38 reserve required as of the date of his transfer to provide a pension
39 for each year of service credited to the account of the member as set
40 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
41 section 38 or section 48 of P.L.1954, c.84 as such sections have
42 been amended and supplemented as of July 1, 1969 (C.43:15A-38,
43 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
44 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
45 for each year of service credited under the Group Annuity Plan.
46 Such transfer from the contingent reserve fund or the pension fund
47 of the Teachers' Pension and Annuity Fund or the Public
48 Employees' Retirement System or the Police and Firemen's

1 Retirement System or the Group Annuity Plan shall be made at the
2 time of the member's transfer to the alternate benefit program in the
3 case of any such member who has then met the eligibility
4 requirements for a pension under the aforementioned N.J.S.18A:66-
5 36, or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954,
6 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
7 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
8 the Group Annuity Plan. In the case of any member who elects to
9 participate in the alternate benefit program who has not then met
10 the eligibility requirements for a pension under N.J.S.18A:66-36 or
11 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954,
12 c.84 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
13 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
14 under the Group Annuity Plan, the transfer from the contingent
15 reserve fund or the pension fund of the and Annuity Fund or the
16 Public Employees' Retirement System or the Police and Firemen's
17 Retirement System or the Group Annuity Plan shall be effected at
18 the time such requirements have been met, taking into account for
19 the purpose of such eligibility requirement his years of membership
20 service at the time of his election and his subsequent years of
21 service as a full-time member of the faculty of Rutgers, The State
22 University, the New Jersey Institute of Technology, Rowan
23 University, Montclair State University, Kean University, or the
24 State or county colleges or as an eligible employee of the
25 Department of Higher Education, or at the time he shall have 10
26 years of credit for New Jersey service and becomes physically
27 incapacitated for the performance of duty if he had been a member
28 of the Teachers' Pension and Annuity Fund or the Public
29 Employees' Retirement System or the Police and Firemen's
30 Retirement System as of the date of transfer.

31 The annuity to be used in determining the amount of pension is
32 the actuarial equivalent of the member's accumulated deductions
33 transferred from the Teachers' Pension and Annuity Fund or the
34 Public Employees' Retirement System or the Police and Firemen's
35 Retirement System to the date the member attains 60 years of age, if
36 subsequent to the date of election. The amount of pension is that
37 established by formula within N.J.S.18A:66-44 or section 48 of
38 P.L.1954, c.84 as such sections have been amended and
39 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
40 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
41 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
42 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)
43 enacted subsequent to this act or the Group Annuity Plan shall have
44 no application to the provisions of this act.

45 In the event that the eligibility requirement under N.J.S.18A:66-
46 36 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section
47 17 of P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity
48 Plan is changed at some future date to permit members to become

1 eligible for such benefit prior to the completion of 15 years of
2 service, the transfer of the reserve from the contingent reserve fund
3 or the pension fund of the Teachers' Pension and Annuity Fund or
4 the Public Employees' Retirement System or the Police and
5 Firemen's Retirement System or from the Group Annuity Plan shall
6 be effective as of the date the member who had elected the alternate
7 benefit program meets the amended eligibility requirement or the
8 effective date of the amendment, whichever is later.

9 In the event an option is available with respect to the distribution
10 of employee and employer contributions between fixed and variable
11 annuities under the alternate benefit program, the employee shall
12 have the right to determine the percentage distribution of these
13 funds subject to any limitations imposed by the designated insurer
14 or insurers.

15 (c) No transfer of pension reserves shall be made pursuant to
16 this section where more than **【two】** seven consecutive years elapse
17 in which no employer contributions to an alternate benefit program
18 are required.

19 (cf: P.L.2021, c.282, s.53)
20

21 6. (New section) a. A person who returns to service with an
22 employer within the time period set forth in N.J.S.18A:66-7 or
23 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
24 the eligibility requirements for enrollment set forth in
25 N.J.S.18A:66-4 for the member's tier at the time of the member's
26 termination of service prior to the return.

27 b. A person who returned to service with an employer prior to
28 the effective date of P.L. , c. (pending before the Legislature as
29 this bill) within the time period set forth in N.J.S.18A-66-7, as
30 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
31 fund in accordance with subsection a. of this section by the Division
32 of Pensions and Benefits and shall be placed in the member's tier at
33 the time of the member's termination of service prior to the return.

34 There shall be no additional contributions imposed on the
35 member or the member's employer.

36 The division shall make such adjustments and transfers as shall
37 be necessary to ensure the enrollment of the member in the fund and
38 placement in the same tier pursuant to this subsection.
39

40 7. This act shall take effect immediately.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

DATED: JUNE 6, 2024

The Assembly Education committee reports favorably Assembly Bill No. 1675.

This bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can discontinue their service and still maintain their membership in the TPAF. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to seven years.

This bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 25 years.

Under this bill, a person who returns to service with an employer within the time period of seven or 25 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

This bill requires that a person who returned to service with an employer prior to the effective date of this bill within the time period of seven or 25 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the enrollment of the member in the fund and placement in the same tier pursuant to this bill.

This bill was pre-filed for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1675

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 24, 2024

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 1675.

As amended, this bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can maintain their membership and member tier in the TPAF following a period of discontinuance, both prior to and following the effective date of the bill. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to 10 years.

The amended bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 15 years.

Under the amended bill, a person who returns to service with an employer within the time period of 10 or 15 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

The amended bill is retroactive and requires that a person who returned to service with an employer prior to the effective date of the bill within the time period of 10 or 15 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill, as amended, requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the enrollment of the member in the fund and placement in the same tier pursuant to this bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to change the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit from 25 years to 15 years.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Assembly Bill No. 1675 (1R).

This bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can maintain their membership and member tier in the TPAF following a period of discontinuance, both prior to and following the effective date of the bill. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to 10 years.

The bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 15 years.

Under the bill, a person who returns to service with an employer within the time period of 10 or 15 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

The bill is retroactive and requires that a person who returned to service with an employer prior to the effective date of the bill within the time period of 10 or 15 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the enrollment of the member in the fund and placement in the same tier pursuant to this bill.

As reported by the committee, Assembly Bill No. 1675 (1R) is identical to Senate Bill No. 2078, which was also amended and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1675

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 17, 2025

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 1675 (1R).

As amended, this bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can maintain their membership and member tier in the TPAF following a period of discontinuance, both prior to and following the effective date of the bill. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to 10 years.

The bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 15 years so long as the teacher has not withdrawn their accumulated member's contributions from the retirement system, provided that the administration of this provision is consistent with IRS rules governing minimum required distributions from a qualified retirement plan.

Under the bill, a person who returns to service with an employer within the time period of 10 or 15 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

The bill is retroactive and requires that a person who returned to service with an employer prior to the effective date of the bill within the time period of 10 or 15 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the

enrollment of the member in the fund and placement in the same tier pursuant to this bill.

As amended and reported by the committee, Assembly Bill No. 1675 (1R) is identical to Senate Bill No. 2078 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that members who left service for certain qualifying reasons and are returning to service after 15 years may do so provided that the administration of this provision is consistent with IRS rules governing minimum required distributions from a qualified retirement plan.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

DATED: JUNE 26, 2024

SUMMARY

- Synopsis:** Extends membership in TPAF to seven years after discontinuance of service and to 25 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.
- Type of Impact:** Annual increased State employer contributions from the General Fund for TPAF and increased expenditures from the Pension Fund to pay higher TPAF retirement allowances.
- Agencies Affected:** Division of Pensions and Benefits in the Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Increased State Employer Contributions to TPAF	Indeterminate
Increased Teachers’ Pension and Annuity Fund Retirement Allowance Payments	Indeterminate

- The Office of Legislative Services (OLS) finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers’ Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund’s liabilities but for which no equal amount of assets to cover those liabilities have been deposited. This unfunded liability reduces the funded ratio of the system accordingly.
- The bill prohibits these costs to be assessed on the member or the member’s employer. Therefore it is assumed that the State would pay the member’s share of the unfunded liability in addition to its actuarially determined annual employer contribution to the Teachers’ Pension and Annuity Fund.
- Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

BILL DESCRIPTION

This bill would allow a teacher whose contributions towards their pension as a member of the Teacher's Pensions and Annuity Fund State-administered Retirement System to remain a member of the system for a period of up to seven years after leaving their position before the State is required to send the contributions to the member and terminate their membership in the system. In addition, the bill would allow the continuation of the membership of a teacher who is dismissed under certain circumstances or a teacher who leaves service after ten years of continuous service, is vested, defers retirement, and has not withdrawn their contributions from the retirement system, but returns to service within 25 years of leaving. The bill would allow a teacher who returns to service within the appropriate timeframes to be re-enrolled in the Teachers' Pension and Annuity Fund retirement system in the same membership tier as they were in before leaving. The bill would also apply retroactively and allow a teacher who returned to service prior to the effective date of this bill and within the timeframes and requirements established in the bill to be re-enrolled in the same membership tier as they were in before leaving. For example, a teacher who leaves service to raise a family and does not withdraw their employee contributions, could return to work within a seven year timeframe and maintain their membership tier status upon re-enrollment. Likewise, a vested teacher who defers retirement could leave service and could return to work within a 25 year timeframe and maintain their membership tier status upon re-enrollment.

Under current law, teachers have two years to return to service before their employee contributions are returned and their membership in the system is terminated. Vested teachers who have deferred retirement, and have not withdrawn their contributions have 10 years to return to service before their membership in the system is terminated.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers' Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund's liabilities but for which no equal amount of assets to cover those liabilities have been deposited. Instead those liabilities would be funded over time through increased State employer contributions. The increased liability reduces the funded ratio of the system accordingly. The size of the unfunded liability is dependent on the tier into which the member would be re-enrolled. If a member returns to tier one instead of tier five the unfunded liability would be greater. If a member returns to tier four instead of tier five the unfunded liability would be smaller.

Because the bill prohibits additional contributions to be imposed on the member and the member's employer, it is assumed that the State will pay the increase in the employee contribution

from being placed in a tier with a higher benefit factor, in addition to its actuarially determined annual employer contribution to the Teachers' Pension and Annuity Fund. Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

Section: Legislative Budget and Finance Office

*Analyst: Kimberly M. Clemmensen
Assistant Legislative Budget and Finance Officer*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

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.).

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 1675

STATE OF NEW JERSEY

221st LEGISLATURE

DATED: JULY 2, 2024

SUMMARY

- Synopsis:** Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.
- Type of Impact:** Annual increased State employer contributions from the General Fund for TPAF and increased expenditures from the Pension Fund to pay higher TPAF retirement allowances.
- Agencies Affected:** Division of Pensions and Benefits in the Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Increased State Employer Contributions to TPAF	Indeterminate
Increased Teachers’ Pension and Annuity Fund Retirement Allowance Payments	Indeterminate

- The Office of Legislative Services (OLS) finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers’ Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund’s liabilities but for which no equal amount of assets to cover those liabilities have been deposited. This unfunded liability reduces the funded ratio of the system accordingly.
- The bill prohibits these costs to be assessed on the member or the member’s employer. Therefore it is assumed that the State would pay the member’s share of the unfunded liability in addition to its actuarially determined annual employer contribution to the Teachers’ Pension and Annuity Fund.

- Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

BILL DESCRIPTION

This bill would allow a teacher whose contributions towards their pension as a member of the Teachers' Pensions and Annuity Fund State-administered Retirement System to remain a member of the system for a period of up to 10 years after leaving their position before the State is required to send the contributions to the member and terminate their membership in the system. In addition, the bill would allow the continuation of the membership of a teacher who is dismissed under certain circumstances or a teacher who leaves service after 10 years of continuous service, is vested, defers retirement, and has not withdrawn their contributions from the retirement system, but returns to service within 15 years of leaving. The bill would allow a teacher who returns to service within the appropriate timeframes to be re-enrolled in the Teachers' Pension and Annuity Fund retirement system in the same membership tier as they were in before leaving. The bill would also apply retroactively and allow a teacher who returned to service prior to the effective date of this bill and within the timeframes and requirements established in the bill to be re-enrolled in the same membership tier as they were in before leaving. For example, a teacher who leaves service to raise a family and does not withdraw their employee contributions, could return to work within a seven year timeframe and maintain their membership tier status upon re-enrollment. Likewise, a vested teacher who defers retirement could leave service and could return to work within a 15 year timeframe and maintain their membership tier status upon re-enrollment.

Under current law, teachers have two years to return to service before their employee contributions are returned and their membership in the system is terminated. Vested teachers who have deferred retirement, and have not withdrawn their contributions have 10 years to return to service before their membership in the system is terminated.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers' Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund's liabilities but for which no equal amount of assets to cover those liabilities have been deposited. Instead those liabilities would be funded over time through increased State employer contributions. The increased liability reduces the funded ratio of the system accordingly. The size of the unfunded liability is dependent on the tier into which the member would be re-enrolled. If a member returns to tier one instead of tier five the unfunded liability would be greater. If a member returns to tier four instead of tier five the unfunded liability would be smaller.

Because the bill prohibits additional contributions to be imposed on the member and the member's employer, it is assumed that the State will pay the increase in the employee contribution from being placed in a tier with a higher benefit factor, in addition to its actuarially determined

annual employer contribution to the Teachers' Pension and Annuity Fund. Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

Section: Legislative Budget and Finance Office
Analyst: Kimberly M. Clemmensen
Assistant Legislative Budget and Finance Officer
Approved: Thomas Koenig
Legislative Budget and Finance Officer

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.).

SENATE, No. 2078

STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Senators Singleton, Turner and Diegnan

SYNOPSIS

Extends membership in TPAF to seven years after discontinuance of service and to 25 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 12/5/2024)

1 **AN ACT** concerning the return to service of members of the
2 Teachers' Pension and Annuity Fund and amending various parts
3 of the statutory law.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. N.J.S.18A:66-7 is amended to read as follows:

9 18A:66-7. Membership of any person shall cease:

10 (a) if, except as provided in section 18A:66-8, he shall
11 discontinue his service for more than **【two】** seven consecutive
12 years;

13 (b) upon the withdrawal by a member of his accumulated
14 deductions as provided in this article;

15 (c) upon resignation and election to receive, in lieu of the return
16 of his accumulated deductions, the benefits provided in section
17 18A:66-36 and 18A:66-37;

18 (d) upon retirement;

19 (e) at death;

20 but not otherwise except as provided in this article.

21 The pension fund shall send written notice in care of the last
22 employer of a member at least 60 days in advance of the date on
23 which his inactive membership shall expire as provided in
24 subsection (a) of this section.

25 (cf: P.L.1967, c.271, s.1)

26
27 2. N.J.S.18A:66-8 is amended to read as follows:

28 18A:66-8. a. If a teacher:

29 (1) is dismissed by an employer by reason of reduction in
30 number of teachers employed in the school district, institution or
31 department when in the judgment of the employer it is advisable to
32 abolish any office, position or employment for reasons of a
33 reduction in the number of pupils, economy, a change in the
34 administrative or supervisory organization or other good cause; or
35 becomes unemployed by reason of the creation of a regional school
36 district or a consolidated school district; or has been discontinued
37 from service without personal fault or through leave of absence
38 granted by an employer or permitted by any law of this State; or
39 meets the eligibility requirements of N.J.S.18A:66-36; and

40 (2) has not withdrawn the accumulated member's contributions
41 from the retirement system, the teacher's membership may continue,
42 notwithstanding any provisions of this article, if the member returns
43 to service within a period of **【10】** 25 years from the date of
44 discontinuance from service.

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 underlined thus is new matter.

1 No credit for retirement purposes shall be allowed to the member
2 covering the period of discontinuance, except as provided in this
3 section. In computing the service or in computing final
4 compensation, no time after September 1, 1919, during which a
5 member shall have been employed as a teacher at an annual salary
6 or remuneration, or a number of hours of work, fixed at less than
7 that which is required for membership pursuant to N.J.S.18A:66-4
8 as applicable to the member shall be credited. In computing the
9 service or in computing final compensation, no time after the
10 effective date of P.L.2010, c.1, during which a member shall have
11 been employed as a teacher for fewer than 32 hours per week shall
12 be credited, unless the member shall have been a member since that
13 effective date continuously. In the case of a veteran member credit
14 shall be given for service rendered prior to January 1, 1955, in an
15 employment, office or position if the annual salary or remuneration
16 therefor was fixed at not less than \$300.00 and the service consisted
17 of the performance of the full duties of the employment, office or
18 position.

19 b. A teacher may purchase credit for time during which the
20 teacher shall have been absent on an official leave without pay. The
21 credit shall be purchased for a period of time equal to:

22 (1) three months or the duration of the leave, whichever is less;
23 or

24 (2) if the leave was due to the member's personal illness, two
25 years or the duration of the leave, whichever is less; or

26 (3) the period of leave that is specifically allowed for retirement
27 purposes by the provisions of any law of this State.

28 The purchase shall be made in the same manner and be subject to
29 the same terms and conditions provided for the purchase of previous
30 membership service by N.J.S.18A:66-9.

31 (cf: P.L.2010, c.1, s.2)

32

33 3. N.J.S. 18A:66-15 is amended to read as follows:

34 18A:66-15. In computing for retirement or for purposes of
35 resignation or separation from service under sections 18A:66-36
36 and 18A:66-37 the total service of a member about to be retired, the
37 retirement system shall credit him with all service rendered by him
38 since he last became a member and in addition, with all the service
39 to which he is entitled and with no other service. Except as
40 otherwise provided in this article, such service credit shall be final
41 and conclusive for retirement purposes, or for purposes of
42 resignation under sections 18A:66-36 and 18A:66-37, unless the
43 member shall discontinue his service for more than **【two】 seven**
44 consecutive years. In the case of a member for whom compensation
45 is defined in paragraph (2) of subsection d. of N.J.S.18A:66-2, the
46 retirement system shall credit the member with the time of all
47 service rendered by the member during the part of any year that the
48 member was a participant of the Defined Contribution Retirement

1 Program, pursuant to paragraph (5) of subsection a. of section 2 of
2 P.L.2007, c.92 (C.43:15C-2) as amended by section 12 of P.L.2007,
3 c.103, and making contributions to that program.

4 For the purpose of computing service for retirement purposes,
5 the board of trustees shall fix and determine by appropriate rules
6 and regulations how much service in any year shall equal a year of
7 service and part of a year of service. Not more than one year shall
8 be credited for all service in a calendar year.

9 (cf: P.L.2007, c.103, s.17)

10
11 4. N.J.S.18A:66-36 is amended to read as follows:

12 18A:66-36. Should a member of the Teachers' Pension and
13 Annuity Fund, after having completed 10 years of service, be
14 separated voluntarily or involuntarily from the service, before
15 reaching service retirement age, and not by removal for conduct
16 unbecoming a teacher or other just cause under the provisions of
17 N.J.S.18A:28-4 to 18A:28-5 and 18A:28-9 to 18A:28-13 inclusive,
18 such person may elect to receive, in lieu of the payment provided in
19 N.J.S.18A:66-34:

20 a. The payments provided for in N.J.S.18A:66-37, if he so
21 qualified under said section; or

22 b. A deferred retirement allowance beginning at age 60, or for
23 a person who becomes a member of the retirement system on or
24 after the effective date of P.L.2008, c.89 beginning at age 62, which
25 shall be made up of an annuity derived from the member's
26 accumulated deductions at the time of his severance from the
27 service, and a pension in the amount which, when added to the
28 member's annuity, will provide a total retirement allowance of 1/64
29 of final compensation for each year of service credited as Class A
30 service and 1/55 of final compensation for each year of service
31 credited as class B service, or for a person who becomes a member
32 of the retirement system on or after the effective date of P.L.2010,
33 c.1 1/60 of final compensation for each year of service credited as
34 class B service, calculated in accordance with N.J.S.18A:66-44,
35 with optional privileges provided for in N.J.S.18A:66-47 if he
36 exercises such optional privilege at least 30 days before his
37 attainment of the normal retirement age; provided, that such
38 election is communicated by such member to the retirement system
39 in writing stating at what time subsequent to the execution and
40 filing thereof he desires to be retired; and provided, further, that
41 such member may later elect: (1) to receive the payments provided
42 for in N.J.S.18A:66-37, if he had qualified under that section at the
43 time of leaving service, except that in order to avail himself of the
44 optional privileges pursuant to N.J.S.18A:66-47, he must exercise
45 such optional privilege at least 30 days before the effective date of
46 his retirement; or (2) to withdraw his accumulated deductions with
47 interest as provided in N.J.S.18A:66-34. If such member shall die
48 before attaining service retirement age, then his accumulated

1 deductions, plus regular interest after January 1, 1956, shall be paid
2 in accordance with N.J.S.18A:66-38, and, in addition if such
3 member shall die after attaining service retirement age and has not
4 withdrawn his accumulated deductions, an amount equal to 3/16 of
5 the compensation upon which contributions by the member to the
6 annuity savings fund were based in the last year of creditable
7 service shall be paid to such member's beneficiary.

8 Any member who, having elected to receive a deferred
9 retirement allowance, again becomes an employee covered by the
10 retirement system while under the age of 60 or, if that person
11 became a member of the retirement system on or after the effective
12 date of P.L.2008, c.89, while under the age of 62, shall thereupon
13 be reenrolled. If he had discontinued his service for more than
14 **【two】** seven consecutive years, subsequent contributions shall be at
15 a rate applicable to the age resulting from the subtraction of his
16 years of creditable service at the time of his last discontinuance of
17 contributing membership from his age at the time of his return to
18 service. He shall be credited with all service as a member standing
19 to his credit at the time of his election to receive a deferred
20 retirement allowance.

21 (cf: P.L.2010, c.1, s.8)

22

23 5. Section 7 of P.L. 1969, c.242 (C.18A:66-173) is amended to
24 read as follows:

25 7. (a) When a member of the Teachers' Pension and Annuity
26 Fund or the Public Employees' Retirement System or the Police and
27 Firemen's Retirement System elects to transfer to an alternate
28 benefit program by filing the proper application form declaring his
29 election to participate in such alternate benefit program, the
30 respective retirement system shall transfer the amount of his
31 accumulated deductions as of the date of transfer to his individual
32 account in the program.

33 (b) There shall also be transferred from the contingent reserve
34 fund or the pension fund of the Teachers' Pension and Annuity Fund
35 or the Public Employees' Retirement System or the Police and
36 Firemen's Retirement System or from the Group Annuity Plan to the
37 individual's account in the alternate benefit program, the pension
38 reserve required as of the date of his transfer to provide a pension
39 for each year of service credited to the account of the member as set
40 forth in N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in
41 section 38 or section 48 of P.L.1954, c.84 as such sections have
42 been amended and supplemented as of July 1, 1969 (C.43:15A-38,
43 C.43:15A-48) or as set forth in section 17 of P.L.1964, c.241
44 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
45 for each year of service credited under the Group Annuity Plan.
46 Such transfer from the contingent reserve fund or the pension fund
47 of the Teachers' Pension and Annuity Fund or the Public
48 Employees' Retirement System or the Police and Firemen's

1 Retirement System or the Group Annuity Plan shall be made at the
2 time of the member's transfer to the alternate benefit program in the
3 case of any such member who has then met the eligibility
4 requirements for a pension under the aforementioned
5 N.J.S.18A:66-36, or N.J.S.18A:66-44, or section 38 or section 48 of
6 P.L.1954, c.84 (C.43:15A-38, C.43:15A-48) or section 17 of
7 P.L.1964, c.241 (C.43:16A-11.2) or section 5 of P.L.1944, c.255
8 (C.43:16A-5) or the Group Annuity Plan. In the case of any
9 member who elects to participate in the alternate benefit program
10 who has not then met the eligibility requirements for a pension
11 under N.J.S.18A:66-36 or N.J.S.18A:66-44, or under section 38 or
12 section 48 of P.L.1954, c.84 (C.43:15A-38, C.43:15A-48) or section
13 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of P.L.1944,
14 c.255 (C.43:16A-5) or under the Group Annuity Plan, the transfer
15 from the contingent reserve fund or the pension fund of the and
16 Annuity Fund or the Public Employees' Retirement System or the
17 Police and Firemen's Retirement System or the Group Annuity Plan
18 shall be effected at the time such requirements have been met,
19 taking into account for the purpose of such eligibility requirement
20 his years of membership service at the time of his election and his
21 subsequent years of service as a full-time member of the faculty of
22 Rutgers, The State University, the New Jersey Institute of
23 Technology, Rowan University, Montclair State University, Kean
24 University, or the State or county colleges or as an eligible
25 employee of the Department of Higher Education, or at the time he
26 shall have 10 years of credit for New Jersey service and becomes
27 physically incapacitated for the performance of duty if he had been
28 a member of the Teachers' Pension and Annuity Fund or the Public
29 Employees' Retirement System or the Police and Firemen's
30 Retirement System as of the date of transfer.

31 The annuity to be used in determining the amount of pension is
32 the actuarial equivalent of the member's accumulated deductions
33 transferred from the Teachers' Pension and Annuity Fund or the
34 Public Employees' Retirement System or the Police and Firemen's
35 Retirement System to the date the member attains 60 years of age, if
36 subsequent to the date of election. The amount of pension is that
37 established by formula within N.J.S.18A:66-44 or section 48 of
38 P.L.1954, c.84 as such sections have been amended and
39 supplemented as of July 1, 1969 (C.43:15A-48) or section 5 of
40 P.L.1944, c.255 (C.43:16A-5) or under the Group Annuity Plan, and
41 changes to N.J.S.18A:66-44 or section 48 of P.L.1954, c.84
42 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5)
43 enacted subsequent to this act or the Group Annuity Plan shall have
44 no application to the provisions of this act.

45 In the event that the eligibility requirement under
46 N.J.S.18A:66-36 or under section 38 of P.L.1954, c.84
47 (C.43:15A-38) or section 17 of P.L.1964, c.241 (C.43:16A-11.2) or
48 under the Group Annuity Plan is changed at some future date to

1 permit members to become eligible for such benefit prior to the
2 completion of 15 years of service, the transfer of the reserve from
3 the contingent reserve fund or the pension fund of the Teachers'
4 Pension and Annuity Fund or the Public Employees' Retirement
5 System or the Police and Firemen's Retirement System or from the
6 Group Annuity Plan shall be effective as of the date the member
7 who had elected the alternate benefit program meets the amended
8 eligibility requirement or the effective date of the amendment,
9 whichever is later.

10 In the event an option is available with respect to the distribution
11 of employee and employer contributions between fixed and variable
12 annuities under the alternate benefit program, the employee shall
13 have the right to determine the percentage distribution of these
14 funds subject to any limitations imposed by the designated insurer
15 or insurers.

16 (c) No transfer of pension reserves shall be made pursuant to
17 this section where more than **[two]** seven consecutive years elapse
18 in which no employer contributions to an alternate benefit program
19 are required.

20 (cf: P.L.2021, c.282, s.53)

21
22 6. (New section) a. A person who returns to service with an
23 employer within the time period set forth in N.J.S.18A-66-7 or
24 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
25 the eligibility requirements for enrollment set forth in
26 N.J.S.18A:66-4 for the member's tier at the time of the member's
27 termination of service prior to the return.

28 b. A person who returned to service with an employer prior to
29 the effective date of P.L. , c. (pending before the Legislature as
30 this bill) within the time period set forth in N.J.S.18A-66-7, as
31 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
32 fund in accordance with subsection a. of this section by the Division
33 of Pensions and Benefits and shall be placed in the member's tier at
34 the time of the member's termination of service prior to the return.

35 There shall be no additional contributions imposed on the
36 member or the member's employer.

37 The division shall make such adjustments and transfers as shall
38 be necessary to ensure the enrollment of the member in the fund and
39 placement in the same tier pursuant to this subsection.

40
41 7. This act shall take effect immediately.
42
43

44 STATEMENT

45
46 This bill extends the length of time a member of the Teachers'
47 Pension and Annuity Fund (TPAF) can discontinue their service and
48 still maintain their membership in the TPAF. Under current law,

1 membership in the TPAF ceases if an individual discontinues
2 service for more than two years. This bill extends the period of
3 discontinuance to seven years.

4 This bill also extends the length of time a member who left
5 service for certain qualifying reasons may return to service and
6 includes among the qualifying reasons those who voluntarily left
7 service with 10 or more years of service credit. Under current law,
8 membership in the TPAF may continue if the member returns to
9 service within a period of 10 years from the date of discontinuance
10 from service. This bill extends the period of discontinuance to 25
11 years.

12 Under this bill, a person who returns to service with an employer
13 within the time period of seven or 25 years will be eligible for
14 enrollment in the fund based on the eligibility requirements for
15 enrollment for the member's tier at the time of the member's
16 termination of service prior to the return.

17 This bill requires that a person who returned to service with an
18 employer prior to the effective date of this bill within the time
19 period of seven or 25 years will be enrolled in the fund and will be
20 placed in the member's tier at the time of the member's termination
21 of service prior to the return. There will be no additional
22 contributions imposed on the member or the member's employer.

23 This bill requires the Division of Pensions and Benefits to make
24 such adjustments and transfers as will be necessary to ensure the
25 enrollment of the member in the fund and placement in the same
26 tier pursuant to this bill.

[First Reprint]

SENATE, No. 2078

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

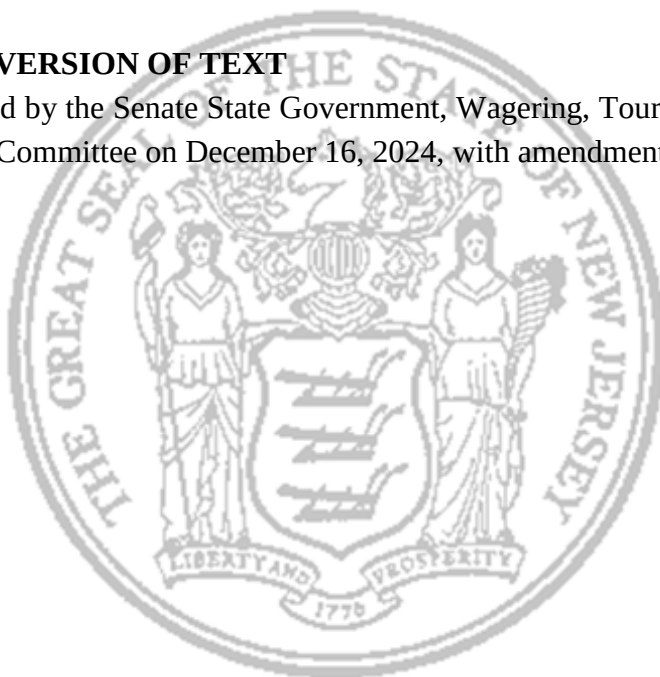
**Senators Singleton, Turner, Diegnan, Cruz-Perez, Timberlake, Bramnick,
Cryan, Burgess and Wimberly**

SYNOPSIS

Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee on December 16, 2024, with amendments.



(Sponsorship Updated As Of: 3/17/2025)

1 **AN ACT** concerning the return to service of members of the
2 Teachers' Pension and Annuity Fund **'[and]'**¹ amending various
3 parts of the statutory law **'and supplementing chapter 66 of Title**
4 **18A of the New Jersey Statutes**¹.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. N.J.S.18A:66-7 is amended to read as follows:

10 18A:66-7. Membership of any person shall cease:

11 (a) if, except as provided in N.J.S.18A:66-8, he shall discontinue
12 his service for more than **[two]** **'[seven]** **10**¹ consecutive years;

13 (b) upon the withdrawal by a member of his accumulated
14 deductions as provided in this article;

15 (c) upon resignation and election to receive, in lieu of the return of
16 his accumulated deductions, the benefits provided in N.J.S.18A:66-36
17 and N.J.S.18A:66-37;

18 (d) upon retirement;

19 (e) at death;

20 but not otherwise except as provided in this article.

21 The pension fund shall send written notice in care of the last
22 employer of a member at least 60 days in advance of the date on which
23 his inactive membership shall expire as provided in subsection (a) of
24 this section.

25 (cf: P.L.1967, c.271, s.1)

26

27 2. N.J.S.18A:66-8 is amended to read as follows:

28 18A:66-8. a. If a teacher:

29 (1) is dismissed by an employer by reason of reduction in number
30 of teachers employed in the school district, institution or department
31 when in the judgment of the employer it is advisable to abolish any
32 office, position or employment for reasons of a reduction in the
33 number of pupils, economy, a change in the administrative or
34 supervisory organization or other good cause; or becomes unemployed
35 by reason of the creation of a regional school district or a consolidated
36 school district; or has been discontinued from service without personal
37 fault or through leave of absence granted by an employer or permitted
38 by any law of this State; or meets the eligibility requirements of
39 N.J.S.18A:66-36; and

40 (2) has not withdrawn the accumulated member's contributions
41 from the retirement system, the teacher's membership may continue,
42 notwithstanding any provisions of this article, if the member returns to
43 service within a period of **[10]** **'[25]** **15**¹ years from the date of
44 discontinuance from service.

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SSG committee amendments adopted December 16, 2024.

1 No credit for retirement purposes shall be allowed to the member
2 covering the period of discontinuance, except as provided in this
3 section. In computing the service or in computing final compensation,
4 no time after September 1, 1919, during which a member shall have
5 been employed as a teacher at an annual salary or remuneration, or a
6 number of hours of work, fixed at less than that which is required for
7 membership pursuant to N.J.S.18A:66-4 as applicable to the member
8 shall be credited. In computing the service or in computing final
9 compensation, no time after the effective date of P.L.2010, c.1, during
10 which a member shall have been employed as a teacher for fewer than
11 32 hours per week shall be credited, unless the member shall have
12 been a member since that effective date continuously. In the case of a
13 veteran member credit shall be given for service rendered prior to
14 January 1, 1955, in an employment, office or position if the annual
15 salary or remuneration therefor was fixed at not less than \$300.00 and
16 the service consisted of the performance of the full duties of the
17 employment, office or position.

18 b. A teacher may purchase credit for time during which the
19 teacher shall have been absent on an official leave without pay. The
20 credit shall be purchased for a period of time equal to:

- 21 (1) three months or the duration of the leave, whichever is less; or
22 (2) if the leave was due to the member's personal illness, two years
23 or the duration of the leave, whichever is less; or
24 (3) the period of leave that is specifically allowed for retirement
25 purposes by the provisions of any law of this State.

26 The purchase shall be made in the same manner and be subject to
27 the same terms and conditions provided for the purchase of previous
28 membership service by N.J.S.18A:66-9.

29 (cf: P.L.2010, c.1, s.2)

30
31 3. N.J.S. 18A:66-15 is amended to read as follows:

32 18A:66-15. In computing for retirement or for purposes of
33 resignation or separation from service under N.J.S.18A:66-36 and
34 N.J.S.18A:66-37 the total service of a member about to be retired, the
35 retirement system shall credit him with all service rendered by him
36 since he last became a member and in addition, with all the service to
37 which he is entitled and with no other service. Except as otherwise
38 provided in this article, such service credit shall be final and
39 conclusive for retirement purposes, or for purposes of resignation
40 under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the member shall
41 discontinue his service for more than **two** ¹**seven** ¹⁰ consecutive
42 years. In the case of a member for whom compensation is defined in
43 paragraph (2) of subsection d. of N.J.S.18A:66-2, the retirement
44 system shall credit the member with the time of all service rendered by
45 the member during the part of any year that the member was a
46 participant of the Defined Contribution Retirement Program, pursuant
47 to paragraph (5) of subsection a. of section 2 of P.L.2007, c.92

1 (C.43:15C-2) as amended by section 12 of P.L.2007, c.103, and
2 making contributions to that program.

3 For the purpose of computing service for retirement purposes, the
4 board of trustees shall fix and determine by appropriate rules and
5 regulations how much service in any year shall equal a year of service
6 and part of a year of service. Not more than one year shall be credited
7 for all service in a calendar year.
8 (cf: P.L.2007, c.103, s.17)

9

10 4. N.J.S.18A:66-36 is amended to read as follows:

11 18A:66-36. Should a member of the Teachers' Pension and
12 Annuity Fund, after having completed 10 years of service, be
13 separated voluntarily or involuntarily from the service, before reaching
14 service retirement age, and not by removal for conduct unbecoming a
15 teacher or other just cause under the provisions of N.J.S.18A:28-4 to
16 N.J.S.18A:28-5 and N.J.S.18A:28-9 to N.J.S.18A:28-13 inclusive,
17 such person may elect to receive, in lieu of the payment provided in
18 N.J.S.18A:66-34:

19 a. The payments provided for in N.J.S.18A:66-37, if he so
20 qualified under said section; or

21 b. A deferred retirement allowance beginning at age 60, or for a
22 person who becomes a member of the retirement system on or after the
23 effective date of P.L.2008, c.89 beginning at age 62, which shall be
24 made up of an annuity derived from the member's accumulated
25 deductions at the time of his severance from the service, and a pension
26 in the amount which, when added to the member's annuity, will
27 provide a total retirement allowance of 1/64 of final compensation for
28 each year of service credited as Class A service and 1/55 of final
29 compensation for each year of service credited as class B service, or
30 for a person who becomes a member of the retirement system on or
31 after the effective date of P.L.2010, c.1 1/60 of final compensation for
32 each year of service credited as class B service, calculated in
33 accordance with N.J.S.18A:66-44, with optional privileges provided
34 for in N.J.S.18A:66-47 if he exercises such optional privilege at least
35 30 days before his attainment of the normal retirement age; provided,
36 that such election is communicated by such member to the retirement
37 system in writing stating at what time subsequent to the execution and
38 filing thereof he desires to be retired; and provided, further, that such
39 member may later elect: (1) to receive the payments provided for in
40 N.J.S.18A:66-37, if he had qualified under that section at the time of
41 leaving service, except that in order to avail himself of the optional
42 privileges pursuant to N.J.S.18A:66-47, he must exercise such optional
43 privilege at least 30 days before the effective date of his retirement; or
44 (2) to withdraw his accumulated deductions with interest as provided
45 in N.J.S.18A:66-34. If such member shall die before attaining service
46 retirement age, then his accumulated deductions, plus regular interest
47 after January 1, 1956, shall be paid in accordance with N.J.S.18A:66-
48 38, and, in addition if such member shall die after attaining service

1 retirement age and has not withdrawn his accumulated deductions, an
2 amount equal to 3/16 of the compensation upon which contributions
3 by the member to the annuity savings fund were based in the last year
4 of creditable service shall be paid to such member's beneficiary.

5 Any member who, having elected to receive a deferred retirement
6 allowance, again becomes an employee covered by the retirement
7 system while under the age of 60 or, if that person became a member
8 of the retirement system on or after the effective date of P.L.2008,
9 c.89, while under the age of 62, shall thereupon be reenrolled. If he
10 had discontinued his service for more than **two** ¹~~seven~~ ¹⁰~~10~~
11 consecutive years, subsequent contributions shall be at a rate
12 applicable to the age resulting from the subtraction of his years of
13 creditable service at the time of his last discontinuance of contributing
14 membership from his age at the time of his return to service. He shall
15 be credited with all service as a member standing to his credit at the
16 time of his election to receive a deferred retirement allowance.

17 (cf: P.L.2010, c.1, s.8)

18
19 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
20 read as follows:

21 7. (a) When a member of the Teachers' Pension and Annuity
22 Fund or the Public Employees' Retirement System or the Police and
23 Firemen's Retirement System elects to transfer to an alternate benefit
24 program by filing the proper application form declaring his election to
25 participate in such alternate benefit program, the respective retirement
26 system shall transfer the amount of his accumulated deductions as of
27 the date of transfer to his individual account in the program.

28 (b) There shall also be transferred from the contingent reserve fund
29 or the pension fund of the Teachers' Pension and Annuity Fund or the
30 Public Employees' Retirement System or the Police and Firemen's
31 Retirement System or from the Group Annuity Plan to the individual's
32 account in the alternate benefit program, the pension reserve required
33 as of the date of his transfer to provide a pension for each year of
34 service credited to the account of the member as set forth in
35 N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in section 38 or
36 section 48 of P.L.1954, c.84 as such sections have been amended and
37 supplemented as of July 1, 1969 (C.43:15A-38, C.43:15A-48) or as set
38 forth in section 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of
39 P.L.1944, c.255 (C.43:16A-5) or for each year of service credited
40 under the Group Annuity Plan. Such transfer from the contingent
41 reserve fund or the pension fund of the Teachers' Pension and Annuity
42 Fund or the Public Employees' Retirement System or the Police and
43 Firemen's Retirement System or the Group Annuity Plan shall be made
44 at the time of the member's transfer to the alternate benefit program in
45 the case of any such member who has then met the eligibility
46 requirements for a pension under the aforementioned N.J.S.18A:66-36,
47 or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954, c.84
48 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241

1 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or the
2 Group Annuity Plan. In the case of any member who elects to
3 participate in the alternate benefit program who has not then met the
4 eligibility requirements for a pension under N.J.S.18A:66-36 or
5 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954, c.84
6 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
7 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
8 under the Group Annuity Plan, the transfer from the contingent reserve
9 fund or the pension fund of the and Annuity Fund or the Public
10 Employees' Retirement System or the Police and Firemen's Retirement
11 System or the Group Annuity Plan shall be effected at the time such
12 requirements have been met, taking into account for the purpose of
13 such eligibility requirement his years of membership service at the
14 time of his election and his subsequent years of service as a full-time
15 member of the faculty of Rutgers, The State University, the New
16 Jersey Institute of Technology, Rowan University, Montclair State
17 University, Kean University, or the State or county colleges or as an
18 eligible employee of the Department of Higher Education, or at the
19 time he shall have 10 years of credit for New Jersey service and
20 becomes physically incapacitated for the performance of duty if he had
21 been a member of the Teachers' Pension and Annuity Fund or the
22 Public Employees' Retirement System or the Police and Firemen's
23 Retirement System as of the date of transfer.

24 The annuity to be used in determining the amount of pension is the
25 actuarial equivalent of the member's accumulated deductions
26 transferred from the Teachers' Pension and Annuity Fund or the Public
27 Employees' Retirement System or the Police and Firemen's Retirement
28 System to the date the member attains 60 years of age, if subsequent to
29 the date of election. The amount of pension is that established by
30 formula within N.J.S.18A:66-44 or section 48 of P.L.1954, c.84 as
31 such sections have been amended and supplemented as of July 1, 1969
32 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5) or under
33 the Group Annuity Plan, and changes to N.J.S.18A:66-44 or section 48
34 of P.L.1954, c.84 (C.43:15A-48) or section 5 of P.L.1944, c.255
35 (C.43:16A-5) enacted subsequent to this act or the Group Annuity Plan
36 shall have no application to the provisions of this act.

37 In the event that the eligibility requirement under N.J.S.18A:66-36
38 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section 17 of
39 P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity Plan is
40 changed at some future date to permit members to become eligible for
41 such benefit prior to the completion of 15 years of service, the transfer
42 of the reserve from the contingent reserve fund or the pension fund of
43 the Teachers' Pension and Annuity Fund or the Public Employees'
44 Retirement System or the Police and Firemen's Retirement System or
45 from the Group Annuity Plan shall be effective as of the date the
46 member who had elected the alternate benefit program meets the
47 amended eligibility requirement or the effective date of the
48 amendment, whichever is later.

1 In the event an option is available with respect to the distribution
2 of employee and employer contributions between fixed and variable
3 annuities under the alternate benefit program, the employee shall have
4 the right to determine the percentage distribution of these funds subject
5 to any limitations imposed by the designated insurer or insurers.

6 (c) No transfer of pension reserves shall be made pursuant to this
7 section where more than ~~two~~ ¹~~seven~~ 10 consecutive years elapse
8 in which no employer contributions to an alternate benefit program are
9 required.

10 (cf: P.L.2021, c.282, s.53)

11
12 6. (New section) a. A person who returns to service with an
13 employer within the time period set forth in N.J.S.18A-66-7 or
14 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
15 the eligibility requirements for enrollment set forth in
16 N.J.S.18A:66-4 for the member's tier at the time of the member's
17 termination of service prior to the return.

18 b. A person who returned to service with an employer prior to
19 the effective date of P.L. , c. (pending before the Legislature as
20 this bill) within the time period set forth in N.J.S.18A-66-7, as
21 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
22 fund in accordance with subsection a. of this section by the Division
23 of Pensions and Benefits and shall be placed in the member's tier at
24 the time of the member's termination of service prior to the return.

25 There shall be no additional contributions imposed on the
26 member or the member's employer.

27 The division shall make such adjustments and transfers as shall
28 be necessary to ensure the enrollment of the member in the fund and
29 placement in the same tier pursuant to this subsection.

30
31 7. This act shall take effect immediately.

[Second Reprint]

SENATE, No. 2078

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

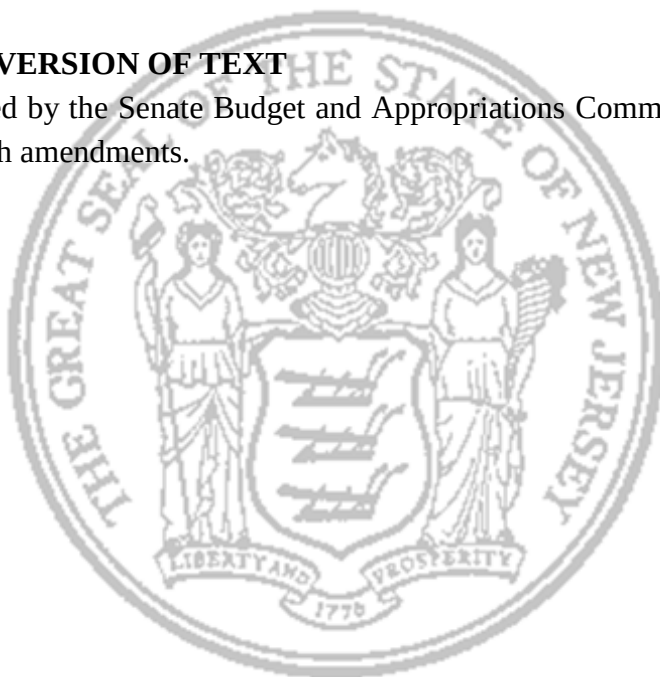
**Senators Singleton, Turner, Diegnan, Cruz-Perez, Timberlake, Bramnick,
Cryan, Burgess and Wimberly**

SYNOPSIS

Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on March 17, 2025, with amendments.



(Sponsorship Updated As Of: 3/17/2025)

1 **AN ACT** concerning the return to service of members of the
 2 Teachers' Pension and Annuity Fund **'[and]'**¹ amending various
 3 parts of the statutory law ¹and supplementing chapter 66 of Title
 4 18A of the New Jersey Statutes¹.

5
 6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 7 *of New Jersey:*

8
 9 1. N.J.S.18A:66-7 is amended to read as follows:

10 18A:66-7. Membership of any person shall cease:

11 (a) if, except as provided in N.J.S.18A:66-8, he shall discontinue
 12 his service for more than **[two]** ¹**[seven]** ¹⁰ consecutive years;

13 (b) upon the withdrawal by a member of his accumulated
 14 deductions as provided in this article;

15 (c) upon resignation and election to receive, in lieu of the return of
 16 his accumulated deductions, the benefits provided in N.J.S.18A:66-36
 17 and N.J.S.18A:66-37;

18 (d) upon retirement;

19 (e) at death;

20 but not otherwise except as provided in this article.

21 The pension fund shall send written notice in care of the last
 22 employer of a member at least 60 days in advance of the date on which
 23 his inactive membership shall expire as provided in subsection (a) of
 24 this section.

25 (cf: P.L.1967, c.271, s.1)

26
 27 2. N.J.S.18A:66-8 is amended to read as follows:

28 18A:66-8. a. If a teacher:

29 (1) is dismissed by an employer by reason of reduction in
 30 number of teachers employed in the school district, institution or
 31 department when in the judgment of the employer it is advisable to
 32 abolish any office, position or employment for reasons of a
 33 reduction in the number of pupils, economy, a change in the
 34 administrative or supervisory organization or other good cause; or
 35 becomes unemployed by reason of the creation of a regional school
 36 district or a consolidated school district; or has been discontinued
 37 from service without personal fault or through leave of absence
 38 granted by an employer or permitted by any law of this State; or
 39 meets the eligibility requirements of N.J.S.18A:66-36; and

40 (2) has not withdrawn the accumulated member's contributions
 41 from the retirement system, the teacher's membership may continue,
 42 notwithstanding any provisions of this article, if the member returns
 43 to service within a period of **[10]** ¹**[25]** ¹⁵ years from the date of

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SSG committee amendments adopted December 16, 2024.

²Senate SBA committee amendments adopted March 17, 2025.

1 discontinuance from service ², provided, however, that this
2 paragraph shall be administered consistent with rules governing
3 minimum required distributions from a qualified retirement plan, as
4 those terms are defined pursuant to section 4974 of the federal
5 Internal Revenue Code of 1986, 26 U.S.C. s. 4974².

6 No credit for retirement purposes shall be allowed to the member
7 covering the period of discontinuance, except as provided in this
8 section. In computing the service or in computing final
9 compensation, no time after September 1, 1919, during which a
10 member shall have been employed as a teacher at an annual salary
11 or remuneration, or a number of hours of work, fixed at less than
12 that which is required for membership pursuant to N.J.S.18A:66-4
13 as applicable to the member shall be credited. In computing the
14 service or in computing final compensation, no time after the
15 effective date of P.L.2010, c.1, during which a member shall have
16 been employed as a teacher for fewer than 32 hours per week shall
17 be credited, unless the member shall have been a member since that
18 effective date continuously. In the case of a veteran member credit
19 shall be given for service rendered prior to January 1, 1955, in an
20 employment, office or position if the annual salary or remuneration
21 therefor was fixed at not less than \$300.00 and the service consisted
22 of the performance of the full duties of the employment, office or
23 position.

24 b. A teacher may purchase credit for time during which the
25 teacher shall have been absent on an official leave without pay. The
26 credit shall be purchased for a period of time equal to:

27 (1) three months or the duration of the leave, whichever is less;

28 or

29 (2) if the leave was due to the member's personal illness, two
30 years or the duration of the leave, whichever is less; or

31 (3) the period of leave that is specifically allowed for retirement
32 purposes by the provisions of any law of this State.

33 The purchase shall be made in the same manner and be subject to
34 the same terms and conditions provided for the purchase of previous
35 membership service by N.J.S.18A:66-9.

36 (cf: P.L.2010, c.1, s.2)

37
38 3. N.J.S. 18A:66-15 is amended to read as follows:

39 18A:66-15. In computing for retirement or for purposes of
40 resignation or separation from service under N.J.S.18A:66-36 and
41 N.J.S.18A:66-37 the total service of a member about to be retired, the
42 retirement system shall credit him with all service rendered by him
43 since he last became a member and in addition, with all the service to
44 which he is entitled and with no other service. Except as otherwise
45 provided in this article, such service credit shall be final and
46 conclusive for retirement purposes, or for purposes of resignation
47 under N.J.S.18A:66-36 and N.J.S.18A:66-37, unless the member shall
48 discontinue his service for more than **[two]** ¹**[seven]** ¹⁰ consecutive

1 years. In the case of a member for whom compensation is defined in
2 paragraph (2) of subsection d. of N.J.S.18A:66-2, the retirement
3 system shall credit the member with the time of all service rendered by
4 the member during the part of any year that the member was a
5 participant of the Defined Contribution Retirement Program, pursuant
6 to paragraph (5) of subsection a. of section 2 of P.L.2007, c.92
7 (C.43:15C-2) as amended by section 12 of P.L.2007, c.103, and
8 making contributions to that program.

9 For the purpose of computing service for retirement purposes, the
10 board of trustees shall fix and determine by appropriate rules and
11 regulations how much service in any year shall equal a year of service
12 and part of a year of service. Not more than one year shall be credited
13 for all service in a calendar year.

14 (cf: P.L.2007, c.103, s.17)

15
16 4. N.J.S.18A:66-36 is amended to read as follows:

17 18A:66-36. Should a member of the Teachers' Pension and
18 Annuity Fund, after having completed 10 years of service, be
19 separated voluntarily or involuntarily from the service, before reaching
20 service retirement age, and not by removal for conduct unbecoming a
21 teacher or other just cause under the provisions of N.J.S.18A:28-4 to
22 N.J.S.18A:28-5 and N.J.S.18A:28-9 to N.J.S.18A:28-13 inclusive,
23 such person may elect to receive, in lieu of the payment provided in
24 N.J.S.18A:66-34:

25 a. The payments provided for in N.J.S.18A:66-37, if he so
26 qualified under said section; or

27 b. A deferred retirement allowance beginning at age 60, or for a
28 person who becomes a member of the retirement system on or after the
29 effective date of P.L.2008, c.89 beginning at age 62, which shall be
30 made up of an annuity derived from the member's accumulated
31 deductions at the time of his severance from the service, and a pension
32 in the amount which, when added to the member's annuity, will
33 provide a total retirement allowance of 1/64 of final compensation for
34 each year of service credited as Class A service and 1/55 of final
35 compensation for each year of service credited as class B service, or
36 for a person who becomes a member of the retirement system on or
37 after the effective date of P.L.2010, c.1 1/60 of final compensation for
38 each year of service credited as class B service, calculated in
39 accordance with N.J.S.18A:66-44, with optional privileges provided
40 for in N.J.S.18A:66-47 if he exercises such optional privilege at least
41 30 days before his attainment of the normal retirement age; provided,
42 that such election is communicated by such member to the retirement
43 system in writing stating at what time subsequent to the execution and
44 filing thereof he desires to be retired; and provided, further, that such
45 member may later elect: (1) to receive the payments provided for in
46 N.J.S.18A:66-37, if he had qualified under that section at the time of
47 leaving service, except that in order to avail himself of the optional
48 privileges pursuant to N.J.S.18A:66-47, he must exercise such optional

1 privilege at least 30 days before the effective date of his retirement; or
2 (2) to withdraw his accumulated deductions with interest as provided
3 in N.J.S.18A:66-34. If such member shall die before attaining service
4 retirement age, then his accumulated deductions, plus regular interest
5 after January 1, 1956, shall be paid in accordance with N.J.S.18A:66-
6 38, and, in addition if such member shall die after attaining service
7 retirement age and has not withdrawn his accumulated deductions, an
8 amount equal to 3/16 of the compensation upon which contributions
9 by the member to the annuity savings fund were based in the last year
10 of creditable service shall be paid to such member's beneficiary.

11 Any member who, having elected to receive a deferred retirement
12 allowance, again becomes an employee covered by the retirement
13 system while under the age of 60 or, if that person became a member
14 of the retirement system on or after the effective date of P.L.2008,
15 c.89, while under the age of 62, shall thereupon be reenrolled. If he
16 had discontinued his service for more than ~~two~~ seven ¹⁰
17 consecutive years, subsequent contributions shall be at a rate
18 applicable to the age resulting from the subtraction of his years of
19 creditable service at the time of his last discontinuance of contributing
20 membership from his age at the time of his return to service. He shall
21 be credited with all service as a member standing to his credit at the
22 time of his election to receive a deferred retirement allowance.

23 (cf: P.L.2010, c.1, s.8)
24

25 5. Section 7 of P.L.1969, c.242 (C.18A:66-173) is amended to
26 read as follows:

27 7. (a) When a member of the Teachers' Pension and Annuity
28 Fund or the Public Employees' Retirement System or the Police and
29 Firemen's Retirement System elects to transfer to an alternate benefit
30 program by filing the proper application form declaring his election to
31 participate in such alternate benefit program, the respective retirement
32 system shall transfer the amount of his accumulated deductions as of
33 the date of transfer to his individual account in the program.

34 (b) There shall also be transferred from the contingent reserve fund
35 or the pension fund of the Teachers' Pension and Annuity Fund or the
36 Public Employees' Retirement System or the Police and Firemen's
37 Retirement System or from the Group Annuity Plan to the individual's
38 account in the alternate benefit program, the pension reserve required
39 as of the date of his transfer to provide a pension for each year of
40 service credited to the account of the member as set forth in
41 N.J.S.18A:66-36 or N.J.S.18A:66-44 or as set forth in section 38 or
42 section 48 of P.L.1954, c.84 as such sections have been amended and
43 supplemented as of July 1, 1969 (C.43:15A-38, C.43:15A-48) or as set
44 forth in section 17 of P.L.1964, c.241 (C.43:16A-11.2) or section 5 of
45 P.L.1944, c.255 (C.43:16A-5) or for each year of service credited
46 under the Group Annuity Plan. Such transfer from the contingent
47 reserve fund or the pension fund of the Teachers' Pension and Annuity
48 Fund or the Public Employees' Retirement System or the Police and

1 Firemen's Retirement System or the Group Annuity Plan shall be made
2 at the time of the member's transfer to the alternate benefit program in
3 the case of any such member who has then met the eligibility
4 requirements for a pension under the aforementioned N.J.S.18A:66-36,
5 or N.J.S.18A:66-44, or section 38 or section 48 of P.L.1954, c.84
6 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
7 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or the
8 Group Annuity Plan. In the case of any member who elects to
9 participate in the alternate benefit program who has not then met the
10 eligibility requirements for a pension under N.J.S.18A:66-36 or
11 N.J.S.18A:66-44, or under section 38 or section 48 of P.L.1954, c.84
12 (C.43:15A-38, C.43:15A-48) or section 17 of P.L.1964, c.241
13 (C.43:16A-11.2) or section 5 of P.L.1944, c.255 (C.43:16A-5) or
14 under the Group Annuity Plan, the transfer from the contingent reserve
15 fund or the pension fund of the and Annuity Fund or the Public
16 Employees' Retirement System or the Police and Firemen's Retirement
17 System or the Group Annuity Plan shall be effected at the time such
18 requirements have been met, taking into account for the purpose of
19 such eligibility requirement his years of membership service at the
20 time of his election and his subsequent years of service as a full-time
21 member of the faculty of Rutgers, The State University, the New
22 Jersey Institute of Technology, Rowan University, Montclair State
23 University, Kean University, or the State or county colleges or as an
24 eligible employee of the Department of Higher Education, or at the
25 time he shall have 10 years of credit for New Jersey service and
26 becomes physically incapacitated for the performance of duty if he had
27 been a member of the Teachers' Pension and Annuity Fund or the
28 Public Employees' Retirement System or the Police and Firemen's
29 Retirement System as of the date of transfer.

30 The annuity to be used in determining the amount of pension is the
31 actuarial equivalent of the member's accumulated deductions
32 transferred from the Teachers' Pension and Annuity Fund or the Public
33 Employees' Retirement System or the Police and Firemen's Retirement
34 System to the date the member attains 60 years of age, if subsequent to
35 the date of election. The amount of pension is that established by
36 formula within N.J.S.18A:66-44 or section 48 of P.L.1954, c.84 as
37 such sections have been amended and supplemented as of July 1, 1969
38 (C.43:15A-48) or section 5 of P.L.1944, c.255 (C.43:16A-5) or under
39 the Group Annuity Plan, and changes to N.J.S.18A:66-44 or section 48
40 of P.L.1954, c.84 (C.43:15A-48) or section 5 of P.L.1944, c.255
41 (C.43:16A-5) enacted subsequent to this act or the Group Annuity Plan
42 shall have no application to the provisions of this act.

43 In the event that the eligibility requirement under N.J.S.18A:66-36
44 or under section 38 of P.L.1954, c.84 (C.43:15A-38) or section 17 of
45 P.L.1964, c.241 (C.43:16A-11.2) or under the Group Annuity Plan is
46 changed at some future date to permit members to become eligible for
47 such benefit prior to the completion of 15 years of service, the transfer
48 of the reserve from the contingent reserve fund or the pension fund of

1 the Teachers' Pension and Annuity Fund or the Public Employees'
2 Retirement System or the Police and Firemen's Retirement System or
3 from the Group Annuity Plan shall be effective as of the date the
4 member who had elected the alternate benefit program meets the
5 amended eligibility requirement or the effective date of the
6 amendment, whichever is later.

7 In the event an option is available with respect to the distribution
8 of employee and employer contributions between fixed and variable
9 annuities under the alternate benefit program, the employee shall have
10 the right to determine the percentage distribution of these funds subject
11 to any limitations imposed by the designated insurer or insurers.

12 (c) No transfer of pension reserves shall be made pursuant to this
13 section where more than ~~two~~ ¹~~seven~~ ¹⁰ consecutive years elapse
14 in which no employer contributions to an alternate benefit program are
15 required.

16 (cf: P.L.2021, c.282, s.53)

17
18 6. (New section) a. A person who returns to service with an
19 employer within the time period set forth in N.J.S.18A-66-7 or
20 N.J.S.18A:66-8 shall be eligible for enrollment in the fund based on
21 the eligibility requirements for enrollment set forth in
22 N.J.S.18A:66-4 for the member's tier at the time of the member's
23 termination of service prior to the return.

24 b. A person who returned to service with an employer prior to
25 the effective date of P.L. , c. (pending before the Legislature as
26 this bill) within the time period set forth in N.J.S.18A-66-7, as
27 amended, or N.J.S.18A:66-8, as amended, shall be enrolled in the
28 fund in accordance with subsection a. of this section by the Division
29 of Pensions and Benefits and shall be placed in the member's tier at
30 the time of the member's termination of service prior to the return.

31 There shall be no additional contributions imposed on the
32 member or the member's employer.

33 The division shall make such adjustments and transfers as shall
34 be necessary to ensure the enrollment of the member in the fund and
35 placement in the same tier pursuant to this subsection.

36
37 7. This act shall take effect immediately.

SENATE STATE GOVERNMENT, WAGERING, TOURISM & HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 2078

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably and with committee amendments Senate Bill No. 2078.

As amended by the committee, this bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can maintain their membership and member tier in the TPAF following a period of discontinuance, both prior to and following the effective date of the bill. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to 10 years.

The amended bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 15 years.

Under the amended bill, a person who returns to service with an employer within the time period of 10 or 15 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

The amended bill is retroactive and requires that a person who returned to service with an employer prior to the effective date of the bill within the time period of 10 or 15 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill, as amended, requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the enrollment of the member in the fund and placement in the same tier pursuant to this bill.

As reported by the committee, Senate Bill No. 2078 is identical to Assembly Bill No. 1675 (1R), which was also reported by the committee on this date.

This bill was pre-filed for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to change the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit from 25 years to 15 years.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2078

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 17, 2025

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 2078 (1R).

As amended, this bill extends the length of time a member of the Teachers' Pension and Annuity Fund (TPAF) can maintain their membership and member tier in the TPAF following a period of discontinuance, both prior to and following the effective date of the bill. Under current law, membership in the TPAF ceases if an individual discontinues service for more than two years. This bill extends the period of discontinuance to 10 years.

The bill also extends the length of time a member who left service for certain qualifying reasons may return to service and includes among the qualifying reasons those who voluntarily left service with 10 or more years of service credit. Under current law, membership in the TPAF may continue if the member returns to service within a period of 10 years from the date of discontinuance from service. This bill extends the period of discontinuance to 15 years so long as the teacher has not withdrawn their accumulated member's contributions from the retirement system, provided that the administration of this provision is consistent with IRS rules governing minimum required distributions from a qualified retirement plan.

Under the bill, a person who returns to service with an employer within the time period of 10 or 15 years will be eligible for enrollment in the fund based on the eligibility requirements for enrollment for the member's tier at the time of the member's termination of service prior to the return.

The bill is retroactive and requires that a person who returned to service with an employer prior to the effective date of the bill within the time period of 10 or 15 years will be enrolled in the fund and will be placed in the member's tier at the time of the member's termination of service prior to the return. There will be no additional contributions imposed on the member or the member's employer.

This bill requires the Division of Pensions and Benefits to make such adjustments and transfers as will be necessary to ensure the

enrollment of the member in the fund and placement in the same tier pursuant to this bill.

As amended and reported by the committee, Senate Bill No. 2078 (1R) is identical to Assembly Bill No. 1675 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that members who left service for certain qualifying reasons and are returning to service after 15 years may do so provided that the administration of this provision is consistent with IRS rules governing minimum required distributions from a qualified retirement plan.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2078

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: MARCH 7, 2025

SUMMARY

- Synopsis:

Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination.
- Type of Impact:

Annual increased State employer contributions from the General Fund for TPAF and increased expenditures from the Pension Fund to pay higher TPAF retirement allowances.
- Agencies Affected:

Division of Pensions and Benefits in the Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Increased State Employer Contributions to TPAF	Indeterminate
Increased Teachers' Pension and Annuity Fund Retirement Allowance Payments	Indeterminate

- The Office of Legislative Services (OLS) finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers' Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund's liabilities but for which no equal amount of assets to cover those liabilities have been deposited. This unfunded liability reduces the funded ratio of the system accordingly.
- The bill prohibits these costs to be assessed on the member or the member's employer. Therefore it is assumed that the State would pay the member's share of the unfunded liability in addition to its actuarially determined annual employer contribution to the Teachers' Pension and Annuity Fund.

- Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

BILL DESCRIPTION

This bill would allow a teacher whose contributions towards their pension as a member of the Teachers' Pensions and Annuity Fund State-administered Retirement System to remain a member of the system for a period of up to 10 years after leaving their position before the State is required to send the contributions to the member and terminate their membership in the system. In addition, the bill would allow the continuation of the membership of a teacher who is dismissed under certain circumstances or a teacher who leaves service after 10 years of continuous service, is vested, defers retirement, and has not withdrawn their contributions from the retirement system, but returns to service within 15 years of leaving. The bill would allow a teacher who returns to service within the appropriate timeframes to be re-enrolled in the Teachers' Pension and Annuity Fund retirement system in the same membership tier as they were in before leaving. The bill would also apply retroactively and allow a teacher who returned to service prior to the effective date of this bill and within the timeframes and requirements established in the bill to be re-enrolled in the same membership tier as they were in before leaving. For example, a teacher who leaves service to raise a family and does not withdraw their employee contributions, could return to work within a seven year timeframe and maintain their membership tier status upon re-enrollment. Likewise, a vested teacher who defers retirement could leave service and could return to work within a 15 year timeframe and maintain their membership tier status upon re-enrollment.

Under current law, teachers have two years to return to service before their employee contributions are returned and their membership in the system is terminated. Vested teachers who have deferred retirement, and have not withdrawn their contributions have 10 years to return to service before their membership in the system is terminated.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds the provisions of the bill that extend the length of time a teacher remains a member of the retirement system and the provisions that allow a teacher to be re-enrolled in their previous membership tier create an unfunded liability for the Teachers' Pension and Annuity Fund. This is because the teacher would receive enhanced benefits upon their return, which increases the fund's liabilities but for which no equal amount of assets to cover those liabilities have been deposited. Instead those liabilities would be funded over time through increased State employer contributions. The increased liability reduces the funded ratio of the system accordingly. The size of the unfunded liability is dependent on the tier into which the member would be re-enrolled. If a member returns to tier one instead of tier five the unfunded liability would be greater. If a member returns to tier four instead of tier five the unfunded liability would be smaller.

Because the bill prohibits additional contributions to be imposed on the member and the member's employer, it is assumed that the State will pay the increase in the employee contribution from being placed in a tier with a higher benefit factor, in addition to its actuarially determined annual employer contribution to the Teachers' Pension and Annuity Fund. Increases in benefit factors increase retirement allowances, therefore retirement allowances paid out of the pension fund to the teachers who return to service under the bill would be higher.

Section: State Government

*Analyst: Anna Harris
Associate Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

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.).

Governor Phil Murphy

Governor Murphy Takes Action on Legislation

Posted on - 10/1/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

A-1675/S-2078 (Lampitt, Bagolie, Stanley/Gopal, Greenstein) – Extends membership in TPAF to 10 years after discontinuance of service and to 15 years for those who were laid off or had 10 or more years of continuous service upon voluntary termination

A-4544/S-3429 (Schnall, Reynolds-Jackson, Pintor Marin/Ruiz, Mukherji) – Expands eligibility requirements of State's child care assistance program to include full-time graduate and post-graduate students

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(<https://d31hzlhk6di2h5.cloudfront.net/20251001/2c/6b/ce/9b/5f7d41d35f215a7d83535d8d/A4544.pdf>).

A-4954/S-3797 (Kennedy, Karabinchak/McKeon) – Requires members of historic preservation commissions to complete historic preservation planning course

A-4969/S-3816 (Peterpaul, Donlon, Coughlin/Gopal, Turner) – Ensures boards of elections have discretion to make initial determination of validity of cast ballots; requires Secretary of State to establish uniform guidelines for assessing validity of ballots

Governor Phil Murphy

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