

**Legislative History Checklist**  
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**Synopsis:** Eliminates 30 days required for effective disability retirement of deceased PFRS member who filed an application for retirement while in service."

**Bill No.:** S355

**P.L.** 1995, c. 47

*Identical to:* A1897 (1R)  
*Substituted for:* A1897 (1R)  
*Combined with:*  
*Last Session Bill No.:* S1254

*See Above Bill(s) for Additional History*

**NJSA:** 43:16A-~~5~~

**Sponsor(s):** O'Connor/Haines

**Date Introduced:** 01/18/94

**Committee Reference:**

**Statement:**

**Public Hearing:**

Assembly:

Appropriations

Yes

No

Senate:

State Management, Investments and Financ  
Budget and Appropriations

Yes  
Yes

No  
No

**Sponsor Statement:** Yes

**Fiscal Note:** No

**Dates of Passage:**

Assembly:

02/06/95 (76-1)

Senate:

10/20/94 (38-0)

**Amended During Passage:** Yes

**Governor's Action:**

**Veto:** No

**Date of Veto:**

**Date of Approval:** 03/17/95

**Message on Signing:** No

**Additional Information:**

P.L.1995, CHAPTER 47, approved March 17, 1995  
1994 Senate No. 355 (First Reprint)

1 AN ACT concerning retirement benefits under the Police and  
2 Firemen's Retirement System of New Jersey and amending  
3 P.L.1944, c.255.

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

7 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
8 read as follows:

9 9. (1) Upon the receipt of proper proof of the death of a  
10 member in active service on account of which no accidental  
11 death benefit is payable under section 10 there shall be paid to  
12 such member's beneficiary:

13 (a) The member's aggregate contributions at the time of death  
14 and

15 (b) An amount equal to 3 1/2 times the compensation upon  
16 which contributions by the member to the annuity savings fund  
17 were based in the last year of creditable service.

18 (2) a. For the purposes of this section and section 10(5), a  
19 member of the Police and Firemen's Retirement System shall be  
20 deemed to be an active member for a period of no more than 93  
21 days while on official leave of absence without pay when such  
22 leave is due to any reason other than illness, and for a period of  
23 not more than one year in the event of an official leave (a) due to  
24 the member's maternity, or (b) to fulfill a residency requirement  
25 for an advanced degree, or (c) as a full-time student at an  
26 institution of higher education, and (1) while he is disabled due to  
27 sickness or injury arising out of or in the course of his  
28 employment as a member to whom this act applies, is not  
29 engaged in any gainful occupation, and is receiving or entitled to  
30 receive periodic benefits (including any commutation of, or  
31 substitute for, such benefits) for loss of time on account of such  
32 disability under or by reason of workmen's compensation law,  
33 occupational disease law or similar legislation and has not retired  
34 or terminated his membership; or (2) for a period of no more than  
35 two years while on official leave of absence without pay if  
36 satisfactory evidence is presented to the retirement system that  
37 such leave of absence without pay is due to the member's  
38 personal illness other than an illness to which (1) above applies.

39 b. If a member dies within 30 days after the date of  
40 retirement or the date of board approval, whichever is later, a  
41 death benefit shall be payable only if he is deemed to be an  
42 active member in accordance with this section; provided,

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:  
1 Senate SSH committee amendments adopted September 26, 1994.

1 however, a member applying for disability benefits shall be  
2 deemed an active member if he was covered by the death benefit  
3 provisions of the act at the termination of employment, filed the  
4 application for disability retirement with the retirement system  
5 within 30 days following such termination of employment and dies  
6 within 30 days after the date of retirement or the date of board  
7 approval, whichever is later. <sup>1</sup>[However, if the member dies [30  
8 days or more] after the application for disability retirement was  
9 filed with the system, the retirement will become effective if: (1)  
10 the application for retirement was received by the system prior  
11 to the date of death; and (2) the deceased member had  
12 terminated covered public employment at least one day prior to  
13 the effective date of retirement.] If a member files an  
14 application for disability retirement while in service and  
15 otherwise meets the requirements for disability retirement, but  
16 dies before the retirement takes effect, the retirement shall be  
17 considered effective.<sup>1</sup>

18 (cf: P.L.1989, c.99, s.1)

19 2. This act shall take effect immediately and shall be  
20 retroactive to filings for retirement received by the retirement  
21 system on or after January 1, 1992.

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26 Eliminates 30 days required for effective disability retirement of  
27 deceased PFRS member who filed an application for retirement  
28 while in service.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 355

STATE OF NEW JERSEY

DATED: JANUARY 19, 1995

The Assembly Appropriations Committee reports favorably Senate Bill No. 355(1R).

Senate Bill No. 355 (1R) eliminates the 30-day waiting period required before disability retirement becomes effective for a member of the Police and Firemen's Retirement System (PFRS).

Under current law, if a member dies within the 30-day waiting period for disability retirement under PERS, the retirement shall not be effective and the member is considered "active" at the time of death. The beneficiary shall then receive the member's contributions and three and one-half times the member's compensation in the last year of service. If the death occurs after the 30-day waiting period, the widow or widower receives a pension of 50% of average final compensation plus addition percentages for a child or children.

This bill eliminates the requirement of 30 or more days in order to receive the pension benefit and provides if a member files an application but dies before retirement takes effect, retirement shall be considered effective. The bill is retroactive to filing received on or after January 1, 1992.

This bill is identical to Assembly Bill No. 1897 (1R) reported by this committee on December 8, 1994 and currently on second reading in the General Assembly.

**FISCAL IMPACT:**

The Office of Legislative Services (OLS) estimated average first year cost for one person at \$22,600 for a surviving spouse, an additional \$6,700 for one child, and \$11,300 for two children. The OLS was not able to estimate how many individuals died during the 30-day periods to qualify for the additional benefit.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 355

STATE OF NEW JERSEY

DATED: OCTOBER 13, 1994

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 355 (1R).

Under current law, if a member who files an application for disability retirement under the Police and Firemen's Retirement System dies within 30 days after the application is filed, the retirement will not be effective and the member will be considered an active member at the time of death. The member's beneficiary will receive the member's aggregate contributions and an amount equal to three and one-half times the member's compensation in the last year of creditable service.

However, if the member dies 30 days or more after the date the application is filed, the retirement will be effective if the application was received by the system prior to the date of death and the deceased member terminated covered public employment at least one day prior to the effective date of retirement. Upon the death after retirement of any member of the retirement system, the member's widow or widower receives a pension of 50% of the average final compensation plus 15% of such compensation to one surviving child or 25% of such compensation to two or more children. Upwardly adjusted benefits are paid to surviving children alone.

This bill eliminates the required passage of 30 or more days in order to receive the pension benefit and removes the condition that the application for retirement be received prior to the date of death and that the deceased member terminate covered public employment at least one day prior to the effective date of retirement. The bill provides, instead, that if a member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement will be considered effective. The bill is retroactive to filings for retirement received by the retirement system on or after January 1, 1992.

As reported, this bill is identical to Assembly Bill 1897 (1R) of 1994.

FISCAL IMPACT:

This bill has not been certified as requiring a fiscal note.

SENATE STATE MANAGEMENT, INVESTMENTS  
AND FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

**SENATE, No. 355**

with committee amendments

**STATE OF NEW JERSEY**

DATED: SEPTEMBER 26, 1994

The Senate State Management, Investments and Financial Institutions Committee reports favorably and with committee amendments Senate Bill No. 355.

At present, if a member who has filed an application for disability retirement under the Police and Firemen's Retirement System dies within 30 days after the application for disability retirement was filed with the system, the retirement shall not become effective and the member shall be considered an active member at the time of death. The member's beneficiary shall receive the member's aggregate contributions and an amount equal to three and one-half times the member's compensation in the last year of creditable service. However, if the member dies 30 days or more after the date the application for retirement was filed with the system, the retirement will become effective if the application for retirement was received by the system prior to the date of death and the deceased member had terminated covered public employment at least one day prior to the effective date of retirement. Upon the death after retirement of any member of the retirement system there is paid to the member's widow or widower a pension of 50% of average final compensation plus 15% of such compensation to one surviving child or 25% of such compensation to two or more children. Upwardly adjusted benefits are paid to surviving children alone.

This bill eliminates the required passage of 30 or more days in order to receive the pension benefit and removes the conditions that the application for retirement was received prior to the date of death and that the deceased member had terminated covered public employment at least one day prior to the effective date of retirement. The bill provides, instead, that if a member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective. The bill is retroactive to filings for retirement received by the retirement system on or after January 1, 1992.

This bill was prefiled for introduction in the 1994 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 remove the conditions that the application for retirement was received prior to the date of death and that the deceased member had terminated covered public employment at least one day prior to the effective date of retirement. The amendment provides, instead, that if a member

files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective.

[FIRST REPRINT]

SENATE, No. 355

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senators O'CONNOR and HAINES

1 AN ACT concerning retirement benefits under the Police and  
2 Firemen's Retirement System of New Jersey and amending  
3 P.L.1944, c.255.

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

7 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
8 read as follows:

9 9. (1) Upon the receipt of proper proof of the death of a  
10 member in active service on account of which no accidental  
11 death benefit is payable under section 10 there shall be paid to  
12 such member's beneficiary:

13 (a) The member's aggregate contributions at the time of death  
14 and

15 (b) An amount equal to 3 1/2 times the compensation upon  
16 which contributions by the member to the annuity savings fund  
17 were based in the last year of creditable service.

18 (2) a. For the purposes of this section and section 10(5), a  
19 member of the Police and Firemen's Retirement System shall be  
20 deemed to be an active member for a period of no more than 93  
21 days while on official leave of absence without pay when such  
22 leave is due to any reason other than illness, and for a period of  
23 not more than one year in the event of an official leave (a) due to  
24 the member's maternity, or (b) to fulfill a residency requirement  
25 for an advanced degree, or (c) as a full-time student at an  
26 institution of higher education, and (1) while he is disabled due to  
27 sickness or injury arising out of or in the course of his  
28 employment as a member to whom this act applies, is not  
29 engaged in any gainful occupation, and is receiving or entitled to  
30 receive periodic benefits (including any commutation of, or  
31 substitute for, such benefits) for loss of time on account of such  
32 disability under or by reason of workmen's compensation law,  
33 occupational disease law or similar legislation and has not retired  
34 or terminated his membership; or (2) for a period of no more than  
35 two years while on official leave of absence without pay if  
36 satisfactory evidence is presented to the retirement system that  
37 such leave of absence without pay is due to the member's  
38 personal illness other than an illness to which (1) above applies.

39 b. If a member dies within 30 days after the date of  
40 retirement or the date of board approval, whichever is later, a  
41 death benefit shall be payable only if he is deemed to be an  
42 active member in accordance with this section: provided,

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:  
Senate SSM committee amendments adopted September 26, 1994.

1 however, a member applying for disability benefits shall be  
2 deemed an active member if he was covered by the death benefit  
3 provisions of the act at the termination of employment, filed the  
4 application for disability retirement with the retirement system  
5 within 30 days following such termination of employment and dies  
6 within 30 days after the date of retirement or the date of board  
7 approval, whichever is later. <sup>1</sup>[However, if the member dies [30  
8 days or more] after the application for disability retirement was  
9 filed with the system, the retirement will become effective if: (1)  
10 the application for retirement was received by the system prior  
11 to the date of death; and (2) the deceased member had  
12 terminated covered public employment at least one day prior to  
13 the effective date of retirement.] If a member files an  
14 application for disability retirement while in service and  
15 otherwise meets the requirements for disability retirement, but  
16 dies before the retirement takes effect, the retirement shall be  
17 considered effective.<sup>1</sup>

18 (cf: P.L.1989, c.99, s.1)

19 2. This act shall take effect immediately and shall be  
20 retroactive to filings for retirement received by the retirement  
21 system on or after January 1, 1992.

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26 Eliminates 30 days required for effective disability retirement of  
27 deceased PFRS member who filed an application for retirement  
28 while in service.

SENATE SSM COMMITTEE

**ADOPTED**

AMENDMENTS

**SEP 26 1994**

to

**SENATE, No. 355**

(Sponsored by Senators O'CONNOR and HAINES)

REPLACE SECTION 1 TO READ:

1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to read as follows:

9. (1) Upon the receipt of proper proof of the death of a member in active service on account of which no accidental death benefit is payable under section 10 there shall be paid to such member's beneficiary:

(a) The member's aggregate contributions at the time of death and

(b) An amount equal to 3 1/2 times the compensation upon which contributions by the member to the annuity savings fund were based in the last year of creditable service.

(2) a. For the purposes of this section and section 10(5), a member of the Police and Firemen's Retirement System shall be deemed to be an active member for a period of no more than 93 days while on official leave of absence without pay when such leave is due to any reason other than illness, and for a period of not more than one year in the event of an official leave (a) due to the member's maternity, or (b) to fulfill a residency requirement for an advanced degree, or (c) as a full-time student at an institution of higher education, and (1) while he is disabled due to sickness or injury arising out of or in the course of his employment as a member to whom this act applies, is not engaged in any gainful occupation, and is receiving or entitled to receive periodic benefits (including any commutation of, or substitute for, such benefits) for loss of time on account of such disability under or by reason of workmen's compensation law, occupational disease law or similar legislation and has not retired or terminated his membership; or (2) for a period of no more than two years while on official leave of absence without pay if satisfactory evidence is presented to the retirement system that such leave of absence without pay is due to the member's personal illness other than an illness to which (1) above applies.

b. If a member dies within 30 days after the date of retirement or the date of board approval, whichever is later, a death benefit shall be payable only if he is deemed to be an active member in accordance with this section; provided, however, a member applying for disability benefits shall be deemed an active member if he was covered by the death benefit provisions of the act at the termination of employment,

filed the application for disability retirement with the retirement system within 30 days following such termination of employment and dies within 30 days after the date of retirement or the date of board approval, whichever is later. <sup>1</sup>[However, if the member dies [30 days or more] after the application for disability retirement was filed with the system, the retirement will become effective if: (1) the application for retirement was received by the system prior to the date of death; and (2) the deceased member had terminated covered public employment at least one day prior to the effective date of retirement.] If a member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective. <sup>1</sup>

(cf: P.L.1989, c.99, s.1)

**REPLACE SYNOPSIS TO READ:**

Eliminates 30 days required for effective disability retirement of deceased PFRS member who filed an application for retirement while in service.

SENATE, No. 355

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senators O'CONNOR and HAINES

1 AN ACT concerning retirement benefits under the Police and  
2 Firemen's Retirement System of New Jersey and amending  
3 P.L.1944, c.255.

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

7 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
8 read as follows:

9 9. (1) Upon the receipt of proper proof of the death of a  
10 member in active service on account of which no accidental  
11 death benefit is payable under section 10 there shall be paid to  
12 such member's beneficiary:

13 (a) The member's aggregate contributions at the time of death  
14 and

15 (b) An amount equal to 3 1/2 times the compensation upon  
16 which contributions by the member to the annuity savings fund  
17 were based in the last year of creditable service.

18 (2) a. For the purposes of this section and section 10(5), a  
19 member of the Police and Firemen's Retirement System shall be  
20 deemed to be an active member for a period of no more than 93  
21 days while on official leave of absence without pay when such  
22 leave is due to any reason other than illness, and for a period of  
23 not more than one year in the event of an official leave (a) due to  
24 the member's maternity, or (b) to fulfill a residency requirement  
25 for an advanced degree, or (c) as a full-time student at an  
26 institution of higher education, and (1) while he is disabled due to  
27 sickness or injury arising out of or in the course of his  
28 employment as a member to whom this act applies, is not  
29 engaged in any gainful occupation, and is receiving or entitled to  
30 receive periodic benefits (including any commutation of, or  
31 substitute for, such benefits) for loss of time on account of such  
32 disability under or by reason of workmen's compensation law,  
33 occupational disease law or similar legislation and has not retired  
34 or terminated his membership; or (2) for a period of no more than  
35 two years while on official leave of absence without pay if  
36 satisfactory evidence is presented to the retirement system that  
37 such leave of absence without pay is due to the member's  
38 personal illness other than an illness to which (1) above applies.

39 b. If a member dies within 30 days after the date of  
40 retirement or the date of board approval, whichever is later, a  
41 death benefit shall be payable only if he is deemed to be an  
42 active member in accordance with this section; provided.

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 however, a member applying for disability benefits shall be  
2 deemed an active member if he was covered by the death benefit  
3 provisions of the act at the termination of employment, filed the  
4 application for disability retirement with the retirement system  
5 within 30 days following such termination of employment and dies  
6 within 30 days after the date of retirement or the date of board  
7 approval, whichever is later. However, if the member dies [30  
8 days or more] after the application for disability retirement was  
9 filed with the system, the retirement will become effective if: (1)  
10 the application for retirement was received by the system prior  
11 to the date of death; and (2) the deceased member had  
12 terminated covered public employment at least one day prior to  
13 the effective date of retirement.

14 (cf: P.L.1989, c.99, s.1)

15 2. This act shall take effect immediately and shall be  
16 retroactive to filings for retirement received by the retirement  
17 system on or after January 1, 1992.

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#### 20 STATEMENT

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22 Under current law, if a member who has filed an application  
23 for disability retirement under the Police and Firemen's  
24 Retirement System dies within 30 days after the application for  
25 disability retirement was filed with the system, the retirement  
26 shall not become effective and the member shall be considered an  
27 active member at the time of death. The member's beneficiary  
28 shall receive the member's aggregate contributions and an  
29 amount equal to three and one-half times the member's  
30 compensation in the last year of creditable service. However, if  
31 the member dies 30 days or more after the date the application  
32 for retirement was filed with the system, the retirement will  
33 become effective if the application for retirement was received  
34 by the system prior to the date of death and the deceased  
35 member had terminated covered public employment at least one  
36 day prior to the effective date of retirement. Upon the death  
37 after retirement of any member of the retirement system there  
38 is paid to the member's widow or widower a pension of 50% of  
39 average final compensation plus 15% of such compensation to one  
40 surviving child or 25% of such compensation to two or more  
41 children. Upwardly adjusted benefits are paid to surviving  
42 children alone.

43 This bill grants the surviving spouse and surviving children  
44 pension benefits when a deceased member's filed application for  
45 disability retirement is received by the system prior to the date  
46 of death and the deceased member has terminated covered public  
47 employment at least one day prior to the effective date of  
48 retirement without the currently required passage of 30 days or  
49 more. The bill is retroactive to filings for retirement received by  
50 the retirement system on or after January 1, 1992.

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Eliminates 30 days required for effective disability retirement of deceased PFRS member whose filed application for retirement fulfills certain conditions.

LEGISLATIVE FISCAL ESTIMATE TO

[FIRST REPRINT]  
ASSEMBLY, No. 1897

STATE OF NEW JERSEY

DATED: December 28, 1994

Assembly Bill No. 1897 (1R) of 1994 eliminates the 30-day waiting period required before disability retirement becomes effective for a member of the Police and Firemen's Retirement System (PFRS).

Under current law, if a member who has filed an application for disability retirement under PFRS dies within 30 days after the date of retirement or the date of board approval, whichever is later, the retirement allowance shall not become effective and the member shall be considered an active member at the time of death. The member's beneficiary shall receive the member's aggregate contributions to the pension system plus group life insurance of 3 1/2 times the member's final compensation. However, if a member dies 30 days or more after the date the application for retirement is filed, retirement will become effective if the application for retirement was received by the system prior to the date of death and the deceased member had terminated covered public employment at least one day prior to the effective date of retirement.

Upon the death after retirement of any member of the retirement system there is paid to the member's widow or widower a pension of 50% of average final compensation plus 15% of such compensation to one surviving child or 25% of such compensation to two or more children. Upwardly adjusted benefits are paid to surviving children alone.

This bill eliminates the required passage of 30 or more days in order to receive the pension benefit and removes the conditions that the application for retirement was received prior to the date of death and that the deceased member had terminated covered employment at least one day prior to the effective date of retirement. The bill provides, instead, that if the member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective. The bill is retroactive to filings for retirement received by the retirement systems on or after January 1, 1992.

Under current law, if a member dies while in service (other than as the result of an accident), the beneficiary is entitled to a life insurance death benefit. A PFRS member is automatically covered by a non-contributory death benefit of 3 1/2 times the member's final salary. If death occurs after retirement, the beneficiary or estate will receive an amount equal to 1/2 times final compensation. However, if the member retired on a disability retirement the life insurance is 3 1/2 times final salary until age 55 when it is reduced to 1/2 times final salary.

The Office of Legislative Services (OLS) notes that this bill would allow individuals to qualify for the survivorship pension benefit of 50% of final salary (versus the return of the member's

contributions) plus the group life insurance coverage of 3 1/2 times salary they are currently eligible to receive.

The OLS notes that according to the most recent actuarial valuation of the retirement system, dated July 1, 1993, 78, or 9.0%, of the 870 members who retired in the prior 12 months retired on a disability pension. No information, however, is available on the number of individuals who died during the 30-day waiting period and so would qualify for this additional benefit.

The OLS estimates the first-year cost of providing a 50% survivorship pension would be \$22,604. This estimate is based on the \$45,208 average annual salary for all active members of the retirement system. After 24 months the cost will increase as the Pension Adjustment Program provides cost-of-living adjustments to the original survivorship pension. The benefit is a lifetime benefit and is payable over the remaining life of the surviving spouse. The first-year cost would increase by \$6,781 if there is one surviving child and \$11,302 if there are two or more surviving children.

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.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 1897

STATE OF NEW JERSEY

DATED: DECEMBER 8, 1994

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1897(1R).

Assembly Bill No. 1897 (1R) eliminates the 30-day waiting period required before disability retirement becomes effective for a member of the Police and Firemen's Retirement System (PFRS).

Under current law, if a member dies within the 30-day waiting period for disability retirement under PERS, the retirement shall not be effective and the member is considered "active" at the time of death. The beneficiary shall then receive the member's contributions and three and one-half times the member's compensation in the last year of service. If the death occurs after the 30-day waiting period, the widow or widower receives a pension of 50% of average final compensation plus addition percentages for a child or children.

This bill eliminates the requirement of 30 or more days in order to receive the pension benefit and provides if a member files an application but dies before retirement takes effect, retirement shall be considered effective. The bill is retroactive to filing received on or after January 1, 1992.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimated average first year cost for one person at \$22,600 for a surviving spouse, an additional \$6,700 for one child, and \$11,300 for two children. The OLS was not able to estimate how many individuals died during the 30-day periods to qualify for the additional benefit.

[FIRST REPRINT]  
ASSEMBLY, No. 1897

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1994

By Assemblywoman QUIGLEY, Assemblymen IMPREVEDUTO,  
Foley and Yugas

1 AN ACT concerning retirement benefits under the Police and  
2 Firemen's Retirement System of New Jersey and amending  
3 P.L.1944, c.255.

4  
5 BE IT ENACTED by the Senate and General Assembly of the  
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7 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
8 read as follows:

9 9. (1) Upon the receipt of proper proof of the death of a  
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11 death benefit is payable under section 10 there shall be paid to  
12 such member's beneficiary:

13 (a) The member's aggregate contributions at the time of death  
14 and

15 (b) An amount equal to 3 1/2 times the compensation upon  
16 which contributions by the member to the annuity savings fund  
17 were based in the last year of creditable service.

18 (2) a. For the purposes of this section and section 10(5), a  
19 member of the Police and Firemen's Retirement System shall be  
20 deemed to be an active member for a period of no more than 93  
21 days while on official leave of absence without pay when such  
22 leave is due to any reason other than illness, and for a period of  
23 not more than one year in the event of an official leave (a) due to  
24 the member's maternity, or (b) to fulfill a residency requirement  
25 for an advanced degree, or (c) as a full-time student at an  
26 institution of higher education, and (1) while he is disabled due to  
27 sickness or injury arising out of or in the course of his  
28 employment as a member to whom this act applies, is not  
29 engaged in any gainful occupation, and is receiving or entitled to  
30 receive periodic benefits (including any commutation of, or  
31 substitute for, such benefits) for loss of time on account of such  
32 disability under or by reason of workmen's compensation law,  
33 occupational disease law or similar legislation and has not retired  
34 or terminated his membership; or (2) for a period of no more than  
35 two years while on official leave of absence without pay if  
36 satisfactory evidence is presented to the retirement system that  
37 such leave of absence without pay is due to the member's  
38 personal illness other than an illness to which (1) above applies.

39 b. If a member dies within 30 days after the date of  
40 retirement or the date of board approval, whichever is later, a  
41 death benefit shall be payable only if he is deemed to be an  
42 active member in accordance with this section; provided,

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:  
1 Assembly ASG committee amendments adopted September 29, 1994.

1 however, a member applying for disability benefits shall be  
2 deemed an active member if he was covered by the death benefit  
3 provisions of the act at the termination of employment, filed the  
4 application for disability retirement with the retirement system  
5 within 30 days following such termination of employment and dies  
6 within 30 days after the date of retirement or the date of board  
7 approval, whichever is later. <sup>1</sup>[However, if the member dies [30  
8 days or more] after the application for disability retirement was  
9 filed with the system, the retirement will become effective if: (1)  
10 the application for retirement was received by the system prior  
11 to the date of death; and (2) the deceased member had  
12 terminated covered public employment at least one day prior to  
13 the effective date of retirement.] If a member files an  
14 application for disability retirement while in service and  
15 otherwise meets the requirements for disability retirement, but  
16 dies before the retirement takes effect, the retirement shall be  
17 considered effective.<sup>1</sup>

18 (cf: P.L.1989, c.99, s.1)

19 2. This act shall take effect immediately and shall be  
20 retroactive to filings for retirement received by the retirement  
21 system on or after January 1, 1992.

22

23

24

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26 \_\_\_\_\_  
27 Eliminates 30 days required for effective disability retirement of  
28 deceased PFRS member who filed an application for retirement  
while in service.

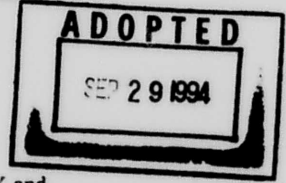
ASSEMBLY STATE GOVERNMENT COMMITTEE

AMENDMENTS

to

ASSEMBLY, No. 1897

(Sponsored by Assemblywoman QUIGLEY and  
Assemblyman IMPREVEDUTO)



REPLACE SECTION 1 TO READ:

1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to read as follows:

9. (1) Upon the receipt of proper proof of the death of a member in active service on account of which no accidental death benefit is payable under section 10 there shall be paid to such member's beneficiary:

(a) The member's aggregate contributions at the time of death and

(b) An amount equal to 3 1/2 times the compensation upon which contributions by the member to the annuity savings fund were based in the last year of creditable service.

(2) a. For the purposes of this section and section 10(5), a member of the Police and Firemen's Retirement System shall be deemed to be an active member for a period of no more than 93 days while on official leave of absence without pay when such leave is due to any reason other than illness, and for a period of not more than one year in the event of an official leave (a) due to the member's maternity, or (b) to fulfill a residency requirement for an advanced degree, or (c) as a full-time student at an institution of higher education, and (1) while he is disabled due to sickness or injury arising out of or in the course of his employment as a member to whom this act applies, is not engaged in any gainful occupation, and is receiving or entitled to receive periodic benefits (including any commutation of, or substitute for, such benefits) for loss of time on account of such disability under or by reason of workmen's compensation law, occupational disease law or similar legislation and has not retired or terminated his membership; or (2) for a period of no more than two years while on official leave of absence without pay if satisfactory evidence is presented to the retirement system that such leave of absence without pay is due to the member's personal illness other than an illness to which (1) above applies.

b. If a member dies within 30 days after the date of retirement or the date of board approval, whichever is later, a death benefit shall be payable only if he is deemed to be an active member in accordance with this section; provided, however, a member applying for disability benefits shall be deemed an active member if he was covered by the death benefit provisions of the act at the termination of employment.

filed the application for disability retirement with the retirement system within 30 days following such termination of employment and dies within 30 days after the date of retirement or the date of board approval, whichever is later. <sup>1</sup>[However, if the member dies [30 days or more] after the application for disability retirement was filed with the system, the retirement will become effective if: (1) the application for retirement was received by the system prior to the date of death; and (2) the deceased member had terminated covered public employment at least one day prior to the effective date of retirement.] If a member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective.<sup>1</sup>

(cf: P.L.1989, c.99, s.1)

REPLACE SYNOPSIS TO READ:

Eliminates 30 days required for effective disability retirement of deceased PFRS member who filed an application for retirement while in service.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1897

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 29, 1994

The Assembly State Government Committee reports favorably and with committee amendments Assembly, No. 1897.

At present, if a member who has filed an application for disability retirement under the Police and Firemen's Retirement System dies within 30 days after the application for disability retirement was filed with the system, the retirement shall not become effective and the member shall be considered an active member at the time of death. The member's beneficiary shall receive the member's aggregate contributions and an amount equal to three and one-half times the member's compensation in the last year of creditable service. However, if the member dies 30 days or more after the date the application for retirement was filed with the system, the retirement will become effective if the application for retirement was received by the system prior to the date of death and the deceased member had terminated covered public employment at least one day prior to the effective date of retirement. Upon the death after retirement of any member of the retirement system there is paid to the member's widow or widower a pension of 50% of average final compensation plus 15% of such compensation to one surviving child or 25% of such compensation to two or more children. Upwardly adjusted benefits are paid to surviving children alone.

This bill eliminates the required passage of 30 or more days in order to receive the pension benefit and removes the conditions that the application for retirement was received prior to the date of death and that the deceased member had terminated covered public employment at least one day prior to the effective date of retirement. The bill provides, instead, that if a member files an application for disability retirement while in service and otherwise meets the requirements for disability retirement, but dies before the retirement takes effect, the retirement shall be considered effective. The bill is retroactive to filings for retirement received by the retirement system on or after January 1, 1992.

COMMITTEE AMENDMENTS

The committee adopted amendments to the bill to remove the conditions that the application for retirement was received prior to the date of death and that the deceased member had terminated covered public employment at least one day prior to the effective date of retirement.

ASSEMBLY, No. 1897

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1994

By Assemblywoman QUIGLEY,  
Assemblymen IMPREVEDUTO,  
Foley and Yuhas

1 AN ACT concerning retirement benefits under the Police and  
2 Firemen's Retirement System of New Jersey and amending  
3 P.L.1944, c.255.

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

7 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
8 read as follows:

9 9. (1) Upon the receipt of proper proof of the death of a  
10 member in active service on account of which no accidental  
11 death benefit is payable under section 10 there shall be paid to  
12 such member's beneficiary:

13 (a) The member's aggregate contributions at the time of death  
14 and

15 (b) An amount equal to 3 1/2 times the compensation upon  
16 which contributions by the member to the annuity savings fund  
17 were based in the last year of creditable service.

18 (2) a. For the purposes of this section and section 10(5), a  
19 member of the Police and Firemen's Retirement System shall be  
20 deemed to be an active member for a period of no more than 93  
21 days while on official leave of absence without pay when such  
22 leave is due to any reason other than illness, and for a period of  
23 not more than one year in the event of an official leave (a) due to  
24 the member's maternity, or (b) to fulfill a residency requirement  
25 for an advanced degree, or (c) as a full-time student at an  
26 institution of higher education, and (1) while he is disabled due to  
27 sickness or injury arising out of or in the course of his  
28 employment as a member to whom this act applies, is not  
29 engaged in any gainful occupation, and is receiving or entitled to  
30 receive periodic benefits (including any commutation of, or  
31 substitute for, such benefits) for loss of time on account of such  
32 disability under or by reason of workmen's compensation law,  
33 occupational disease law or similar legislation and has not retired  
34 or terminated his membership; or (2) for a period of no more than  
35 two years while on official leave of absence without pay if  
36 satisfactory evidence is presented to the retirement system that  
37 such leave of absence without pay is due to the member's  
38 personal illness other than an illness to which (1) above applies.

39 b. If a member dies within 30 days after the date of  
40 retirement or the date of board approval, whichever is later, a  
41 death benefit shall be payable only if he is deemed to be an  
42 active member in accordance with this section; provided,

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 however, a member applying for disability benefits shall be  
2 deemed an active member if he was covered by the death benefit  
3 provisions of the act at the termination of employment, filed the  
4 application for disability retirement with the retirement system  
5 within 30 days following such termination of employment and dies  
6 within 30 days after the date of retirement or the date of board  
7 approval, whichever is later. However, if the member dies [30  
8 days or more] after the application for disability retirement was  
9 filed with the system, the retirement will become effective if: (1)  
10 the application for retirement was received by the system prior  
11 to the date of death; and (2) the deceased member had  
12 terminated covered public employment at least one day prior to  
13 the effective date of retirement.

14 (cf: P.L.1989, c.99, s.1)

15 2. This act shall take effect immediately and shall be  
16 retroactive to filings for retirement received by the retirement  
17 system on or after January 1, 1992.

#### 20 STATEMENT

21  
22 Under current law, if a member who has filed an application  
23 for disability retirement under the Police and Firemen's  
24 Retirement System dies within 30 days after the application for  
25 disability retirement was filed with the system, the retirement  
26 shall not become effective and the member shall be considered an  
27 active member at the time of death. The member's beneficiary  
28 shall receive the member's aggregate contributions and an  
29 amount equal to three and one-half times the member's  
30 compensation in the last year of creditable service. However, if  
31 the member dies 30 days or more after the date the application  
32 for retirement was filed with the system, the retirement will  
33 become effective if the application for retirement was received  
34 by the system prior to the date of death and the deceased  
35 member had terminated covered public employment at least one  
36 day prior to the effective date of retirement. Upon the death  
37 after retirement of any member of the retirement system there  
38 is paid to the member's widow or widower a pension of 50% of  
39 average final compensation plus 15% of such compensation to one  
40 surviving child or 25% of such compensation to two or more  
41 children. Upwardly adjusted benefits are paid to surviving  
42 children alone.

43 This bill grants the surviving spouse and surviving children  
44 pension benefits when a deceased member's filed application for  
45 disability retirement is received by the system prior to the date  
46 of death and the deceased member has terminated covered public  
47 employment at least one day prior to the effective date of  
48 retirement without the currently required passage of 30 days or  
49 more. The bill is retroactive to filings for retirement received by  
50 the retirement system on or after January 1, 1992.

51  
52  
53  
54 Eliminates 30 days required for effective disability retirement of  
55 deceased PFRS member whose filed application for retirement  
56 fulfills certain conditions.

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 \* BILL NO A1897 \*  
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 \* Date of Intro. \_\_\_\_\_ \*  
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 \* Ref. \_\_\_\_\_ \*  
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- .....
- \* NOTE TO \* Notify OLS if you require changes in this document. \*
  - \* A revised copy for introduction will be prepared on \*
  - \* the legislative computer system. \*
  - \* SPONSOR \* Hand-written changes will not appear in the printed \*
  - \* bill. \*
- .....

AN ACT concerning retirement benefits under the Police and Firemen's Retirement System of New Jersey and amending P.L.1944, c.255.

Eliminates 30 days required for effective disability retirement of deceased PFRS member whose filed application for retirement fulfills certain conditions.

PRIME Sponsor *Jim M. Quigley*  
 CO-Sponsors *Joseph F. Hughes*

Same as \_\_\_\_\_ 92/93

S-355 \_\_\_\_\_ 94/95

Suggested allocation: \_\_\_\_\_  
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