

LEGISLATIVE FACT SHEET

on Retirement system - Newark employees

N.J.R.S. 43:13-22.3 to 22.41

(Amendment) (file copy available)

LAWS OF 1954

CHAPTER 218 Nov. 22, 1954

SENATE BILL

ASSEMBLY BILL 252

INTRODUCED March 22, 1954

BY Del Tufo

SPONSOR'S STATEMENT

YES NO

ASSEMBLY COMMITTEE STATEMENT

YES NO

SENATE COMMITTEE STATEMENT

YES NO

FISCAL NOTE

YES NO

AMENDED DURING PASSAGE

YES NO

HEARING None discovered

VETO Nov. 15, 1954 CONDITIONAL VETO

BACKGROUND:

See

974.90 Rutgers University. Bureau of Gov't. Research. Utilization of Permissive Pension Legislation by New Jersey Local Govts, December 1954.

J351.5 Rutgers University. Bureau of Gov't Research. Pension legislation for Public employees in New Jersey, 1950.

A 252 Del Tufo Mar. 22—Establishes retirement system for permanent employees of City of Newark, Essex County, by merging 3 existing pension funds; excepts police and firemen; prescribes schedule of deductions and contributions, retirement age, and maximum pension payments. Apr. 26—Passed in Assembly, amended. June 10—Passed in Senate. Nov. 15—Returned by Governor with recommended amendment. Note: Governor's amendment requires actuarial study of fund and adjustment of contribution rates whenever assets decline below \$150,000.00. In 1956, and every 3 years thereafter, lowers maximum age for membership from 50 to 45 years to protect eligibility for Social Security. Nov. 15—Amended as recommended. Nov. 15—Passed Assembly under emergency resolution. Nov. 22—Passed in Senate under emergency resolution. Nov. 22—Approved, Chapter 218.

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ASSEMBLY, No. 252

STATE OF NEW JERSEY

INTRODUCED MARCH 22, 1954

By Mr. DEL TUFO

Referred to Committee on State, County and Municipal Government

AN ACT to provide for the creation, setting apart, maintenance and administration of a city employees' retirement system in cities of the first class having, at the time of the enactment of this act, a population in excess of 400,000 inhabitants; and merging and superseding the provisions of pension funds established pursuant to article 2 of chapter 13, chapters 18 and 19, of Title 43 of the Revised Statutes, in said cities.

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

1 1. As used in this act:

2 "Service" shall always, unless otherwise stated, be considered as in the
3 aggregate.

4 "Salary" or "compensation," when used solely for the purpose of fix-
5 ing benefits under this act, means annual salary or compensation earned by
6 a member as a permanent employee at the time of his death or retirement;
7 provided, however, that \$10,000.00 shall be the maximum amount of the an-
8 nual salary of any member which shall be considered for any purpose under
9 this act; provided further, however, that as to any employee who, at the
10 time of the adoption of this act, is a member of any retirement system in
11 operation in the city under and by virtue of article 2, chapter 13, Title 43 of
12 the Revised Statutes; and of chapter 18, Title 43 of the Revised Statutes; and
13 of chapter 19, Title 43 of the Revised Statutes, the total annual salary re-

14 ceived by such member as a permanent employee at the time of his death
15 or retirement shall be considered for pension or other purposes under this
16 act, except as otherwise provided herein.

17 "Pension fund" or "fund" means the fund referred to in section 2 of
18 this act, and is the fund from which pensions and other benefits provided
19 for in this act shall be paid.

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

21 "City," unless otherwise specified, means any city of the first class of
22 the State of New Jersey having, at the time of the enactment of this act, a
23 population in excess of 400,000 inhabitants.

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

25 "City employee" or "employee" means and includes all permanent em-
26 ployees as defined by Title 11 of the Revised Statutes of New Jersey (Civil
27 Service Law) in service in any city of the first class of this State, as here-
28 inabove defined; and shall mean and include all permanent employees of any
29 city board, body or commission maintained out of city funds in such city.
30 Notwithstanding the provisions of any other statute of this State, any per-
31 son under 45 years of age hereafter accepting permanent employment in the
32 city (excepting uniformed policemen or firemen) shall become a member of
33 the pension fund provided by this act as a "city employee" or "employee"
34 as hereinabove defined; and except as herein otherwise provided, any such
35 person of the age of 45 years or over shall be ineligible to become a mem-
36 ber; provided, however, that any employee who, at the time of the adoption
37 of this act, is a member of any retirement system in operation in such city
38-39 under and by virtue of article 2, chapter 13, Title 43 of the Revised Stat-
40 utes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter 19,
41 Title 43 of the Revised Statutes, shall not be barred from membership in this
42 retirement system on account of age of any such employee.

43 Notwithstanding the provisions of chapter 1, Title 43 of the Revised
44 Statutes, any present employee of the city as herein defined, who was not
45 more than 50 years of age at the time of his permanent appointment, shall

46 have the right to become a member of the retirement system established by
47 this act, by declaring his intention in writing so to do, within 2 months after
48 the formation of the commission created by this act.

49 All such applicants shall submit to and pass a physical examination
50 as required by the commission, and shall pay into the retirement system all
51 arrears of dues and assessments determined by the commission, with inter-
52 est thereon at 3%, in order to receive credit for said prior service as an em-
53 ployee, for the purposes of this act. The maximum length of time to be
54 afforded any such employee for payment of said arrears and interest thereon
55 shall be 5 years from the date of membership in said system.

56 "Widow" or "widower" means the surviving spouse of a city employee
57 married to such employee for a period of at least 5 years prior to the retire-
58 ment or death of such employee, except as otherwise provided herein, and
59 said marriage having occurred prior to the time when such employee reached
60 the age of 55 years, except that where death results from and as a result
61 of an accident or injury sustained in the line of duty, the widow or widower
62 shall be entitled to the benefits hereinafter set forth, even though the mar-
63 riage has not been in existence for a period of 5 years; provided, however,
64 that no pension shall be paid to the surviving husband of a deceased em-
65 ployee unless he shall be and shall continue to remain dependent upon the
66 income which such employee was receiving at the time of her death, or unless
67 he shall be and shall continue to remain physically or mentally incapable
68 of pursuing a gainful occupation. No pension shall be paid to any minor
69 child or dependent parent of such female employee unless such minor child
70 or dependent parent shall be and shall continue to remain dependent upon
71 the income which such employee was receiving at the time of her death. The
72 pension commission shall determine the question of the dependency of the
73 surviving husband, minor child or dependent parent, as well as the ability
74 of the surviving husband to pursue some gainful occupation.

75 "Minor child" means a child under the age of 18 years, whose father
76 or mother was married to the employee-member for a period of at least 5

77 years prior to the retirement of said employee, and the said marriage hav-
78 ing occurred prior to the time such employee arrived at the age of 55 years.

79 "Dependent parent" shall mean a dependent parent or parents who is
80 or are solely dependent for support upon the employee-member.

81 "Commission" shall mean Pension Commission.

82 "Commissioners" shall mean Pension Commissioners, unless otherwise
83 specified.

84 "Permanent" and "total" disability means physical or mental inca-
85 pacity of an employee, as determined by the commission, and which would
86 make the employee unable to perform the duties of his position or office.

87 "Employees' Retirement System of (name of city)" shall be the name of
88 the retirement system provided under the provisions of this act. By that
89 name all of its business shall be transacted, its funds invested, warrants for
90 money drawn and payments made, and all of its cash and securities and
91 other property held.

1 2. In each city, as defined by this act, an employees' retirement system
2 shall be and is hereby created, set apart, maintained and administered in
3 the manner prescribed in this act, for the benefit of employees of such city,
4 and the widows, widowers, children and dependent parents of such em-
5 ployees; and also of all contributors to, participants in and beneficiaries of
6 any pension fund in operation in such city, at the time this act shall become
7 effective, under and by virtue of article 2, chapter 13, Title 43 of the Revised
8 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter
9 19, Title 43 of the Revised Statutes.

1 3. There is hereby authorized to carry out the provisions of this act,
2 and charged with the duty of administering the retirement system provided
3 for herein, a pension commission composed of 7 members, consisting of, the
4 mayor of said city; 2 other members of the governing body of said city, to
5 be designated by the mayor, 1 of whom shall be the financial officer of the
6 city; 3 city employees who are members of the retirement system created by
7 this act; and, 1 resident of the city who is not the holder of any public office
8 or position.

9 The resident of the city shall be selected by a majority vote of the other
10 6 members of the commission to serve for a period of 1 year.

11 The 3 city employee members of the commission shall, for the purposes
12 of the first election hereunder, be elected within 60 days after the adoption
13 of this act, in the manner following:

14 Each of the 3 pension funds existing in the city at the time of the adop-
15 tion of this act shall elect 1 of its members to the commission for a term to
16 commence immediately following his election and to end January 1 of the
17 year following the year of adoption of this act.

18 The said elections shall be held at a meeting called for the purpose, after
19 30 days' written notice of the time and place thereof has been given by the
20 mayor (or other city officer designated by him) to all such employee members
21 of said pension funds. Nominations shall be made by written petition only,
22 filed with the mayor at least 15 days prior to such elections, and each peti-
23 tion shall contain at least 50 signatures of members of the said pension funds
24 entitled to participate therein.

25 The first election after the passage of this act shall be conducted by the
26 mayor of said city or by a committee designated by him.

27 All elections of the city employee members of the Pension Commission
28 held subsequent to the first election shall be in the manner following, except
29 as herein provided:

30 The elections shall be held at a meeting of the members of the retire-
31 ment system on the third Tuesday of December of each year, except as here-
32 inbefore provided as to the terms of office of the first city employee members
33 of the commission, after 30 days, written notice of the time and place thereof
34 has been given by the mayor (or other city officer designated by him) to all
35 members of the system. Nominations shall be by written petition only, filed
36 with the secretary of the commission at least 15 days prior to such election,
37 and each petition shall contain at least 50 signatures of members of the re-
38 tirement system.

39 The member receiving the highest number of votes cast shall be elected
40 to serve a term of 3 years, commencing January 1 of the year following the
41 election; and the member receiving the next highest number of votes cast
42 shall be elected to serve a term of 2 years, commencing January 1 of the
43 year following the election; and the member receiving the third highest num-
44 ber of votes cast shall be elected to serve for a term of 1 year, commencing
45 January 1 of the year following the election.

46 Thereafter, on the third Tuesday of December of each succeeding year, 1
47 member shall be elected to the commission for the term of 3 years, com-
48 mencing January 1 of the year following the election.

49 The pension commission, or a committee designated by the commission,
50 shall conduct all elections held pursuant to these provisions.

1 4. In case of vacancy for any cause, the commission shall, by a majority
2 vote, appoint a person possessed of the same qualifications to fill such vacancy
3 until the next election. Any member of the commission, excepting the citi-
4 zen member, who shall leave the service of the city shall automatically cease
5 to be a member of said commission.

1 5. The commission shall hold its annual meeting in the month of Janu-
2 ary in each year and elect its chairman and such other officers as it deems ad-
3 visable. The chairman shall be chosen from among the employee members
4 of the commission. The commission shall fix the compensation of all ap-
5 pointees, and shall serve without compensation but shall be reimbursed for
6 any necessary expenditures; and the employee members shall suffer no loss
7 of salary or other wages through service for or on the commission. The com-
8 mission shall secure the services of such physician or physicians as shall be
9 necessary to make the medical examinations required by this act. The com-
10 mission shall appoint an attorney for the said commission and shall fix his
11 compensation.

1 6. The first secretary and treasurer appointed shall be bona fide civil
2 service employees and members of 1 of the 3 funds consolidated by the pro-
3 visions of this act. Their successors and any other employee necessary to

4 carry out the provisions of this act shall be employed in accordance with
5 Title 11 of the Revised Statutes (Civil Service Law); all of whom shall be
6 construed as city employees for any purpose whatsoever and eligible within
7 the fund.

1 7. The commission shall have control and management of the funds and
2 of the retirement of employees who are members of the fund. The commis-
3 sion shall, from time to time, subject to the limitations of this act, establish
4 rules and regulations for the transaction of its business and the administra-
5 tion of this act. Under the direction of the commission, the head of each city
6 department shall furnish such information and shall keep such records as
7 the commission may require for the discharge of its duties.

1 8. The commission may require each employee of the city to file a state-
2 ment or statements, in such form as said commission shall direct, concern-
3 ing his service or other matters covered by this act.

1 9. The commission shall have the power to compel witnesses to attend
2 and testify before it upon any matter concerning the retirement system and
3 allow fees not in excess of \$3.00 to any such witness for such attendance
4 upon any 1 day; provided, however, that any city employee called as a wit-
5 ness shall not be paid any witness fee but shall not suffer the loss of any
6 salary. The chairman and other members of said commission are empow-
7 ered to administer oaths to such witnesses. All retirements shall be made
8 and pensions allowed by the commission in accordance with the provisions
9 of this act and the rules and regulations of the commission.

1 10. The commission shall be known as the "pension commission of the
2 employees' retirement system of (name of city)."

1 11. All moneys, the property of the retirement system, shall be received
2 and paid to the treasurer of the retirement system who shall be bonded,
3 such bonds to be paid for by the system. All moneys paid by the retire-
4 ment system shall be paid by the treasurer of the fund by check, signed by
5 the treasurer and countersigned by the chairman of the commission, after
6 approval at a meeting of the commission.

1 12. The commission shall deposit the funds of the system in any deposi-
2 tories lawful for the deposit of municipal funds. All moneys not needed
3 for immediate purposes may be invested by the commission in interest-
4 bearing bonds of the United States Government, State or bi-State agencies,
5 bureaus or subdivisions in this State.

1 13. The members and conditions of membership in the retirement sys-
2 tem created by this act shall be as follows:

3 (a) All persons who shall hereafter become employees of the city, prior
4 to attaining the age of 45 years, shall, upon satisfactory completion of 3
5 months' service, become members of the retirement system herein created,
6 as a condition of their employment; provided that all such persons shall
7 submit to and pass the physical and mental examination required by the
8 commission and shall furnish such evidence of good health, at said time,
9 as the commission shall require; provided further, however, that the fail-
10 ure to pass the said physical and mental examination or failure to furnish
11 satisfactory evidence of good health at such time shall not deprive the em-
12 ployee of his employment.

13 The failure of any employee-member to comply with the rules and reg-
14 ulations prescribed by the commission, pursuant to this act, shall result in
15 the suspension or termination of membership in, or benefits of, this retire-
16 ment system as may be provided from time to time by the commission.

17 (b) All employees of the city, who, at the time of the adoption of the act,
18 as provided hereinbefore, were under 50 years of age at the time of their
19 permanent appointment and are found physically and mentally fit, and
20 are not members of any retirement system supported wholly or in part by
21 the city, may become members of the retirement system created by this
22 act, upon written application made to the commission within 2 months after
23 the establishment of the commission, under 1 of the following 2 plans:

24 (c) To receive credit for all the time served as a permanent employee
25 with the city prior to joining this retirement system. Such employee shall
26 pay into this fund a sum of money equal to an amount based upon the

27 percentage hereinafter stated that would have been deducted from his salary
28 from June 1, 1928, or from the date of his permanent employment, which-
29 ever is the lesser period; provided, however, that if the employee desires
30 to receive credit for only a portion of the time served as a permanent em-
31 ployee he shall make payments accordingly and shall receive credit for
32 that portion of the said prior service as is covered by these payments.
33 Said sum of money may be paid in one lump sum or by regular pay-roll
34 period deductions from the salary, together with the regular deductions
35 provided by this act, until completed; and the financial officer of the city is
36 authorized to deduct the said amounts from the salary of said employee.
37 Upon such payment or payments being made, the city shall annually pay
38 into the retirement system, herein provided for, a sum of money equal in
39 amount to the employee's principal payment. All payments aforesaid by
40 the employee shall be made together with 3% interest thereon. The maxi-
41 mum length of time for the payment of all arrears and interest shall be
42 5 years from the date of membership in the fund.

43 (d) By regular deductions from the salary of any employee electing to
44 become a member of this fund, without the benefit of prior service, if any,
45 and credit therefor hereunder. Said deductions shall commence upon mem-
46 bership in the fund; and such employee shall not receive credit for any
47 prior services rendered theretofore in his municipal office or position.

48 (e) All employees who at the time of the adoption and approval of this
49 act are members of any of the following retirement systems in effect in said
50 city, under and by virtue of article 2, chapter 13, Title 43 of the Revised
51 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chap-
52 ter 19, Title 43 of the Revised Statutes, shall, upon the effective date of
53 this act, automatically become members of the city employees' retirement
54 system provided for by this act; and every such employee shall be deemed
55 to agree and consent to such transfer of his membership.

1 14. All employee members of the existing pension funds aforesaid, who
2 become members of the city employees' retirement system provided by this
3 act, shall be given credit for pension purposes hereunder and for all serv-

4 ices rendered to the city prior to the effective date of this act; provided,
5 however, that in case any such employee had heretofore agreed, under the
6 provisions of the 3 statutes aforesaid, to pay for any part or all such serv-
7 ices rendered to the city prior to the effective date of this act, then the transfer
8 of such employees' membership into this retirement system shall include the
9 transfer to this system of all the conditions and obligations of such prior
10 agreement, not inconsistent with this act, made by such employee; and such
11 employee shall be deemed to agree and consent to the transfer to this system
12 of such conditions and obligations until the said conditions and the provi-
13 sions of this act have been fully complied with.

1 15. It is the intention of this act that the retirement system herein pro-
2 vided for shall, on and after the effective date of this act, and thereafter,
3 supersede and take the place of any pension fund then existing in the said
4 city pursuant to article 2, chapter 13, Title 43 of the Revised Statutes; and
5 of chapter 18, Title 43 of the Revised Statutes; and of chapter 19, Title 43 of
6 the Revised Statutes.

1 16. All of the aforesaid pension funds shall be and are hereby merged
2 into and become part of the retirement system created by this act; provided,
3 however, that until this act becomes effective all of the aforesaid 3 existing
4 city retirement and pension systems shall be administered in accordance with
5 the provisions of the respective statutes. All moneys, securities and other
6 assets of such other aforesaid pension funds and retirement systems shall be
7 transferred when this act becomes effective by the trustees of such systems
8 to the pension commission of the employees' retirement system of (name
9 of city), created by this act; which pension commission is hereby empowered
10 to receive the said funds and assets; for and on behalf of the employees'
11 retirement system herein provided for; and the said retirement and pension
12 funds created by virtue of article 2, chapter 13, Title 43 of the Revised Stat-
13 utes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter 19,
14 Title 43 of the Revised Statutes shall then cease to exist as separate retire-
15 ment and pension systems in said city; provided, however, nothing herein
16 contained shall deprive any member of the aforesaid pension and retirement

17 funds of any benefits provided for, under and by virtue of the provisions of
18 the said retirement and pension funds; and for these purposes the provisions
19 of those statutes shall continue in full force and effect, anything herein to the
20 contrary notwithstanding.

21 All pensions and other benefits allowed prior to the effective date of this
21A act, under the statutes hereinabove specified governing such other pension
22 funds shall thereafter be paid from the retirement system herein created
23 and according to the provisions of the statutes governing such other retire-
24 ment systems, except as herein otherwise provided. It is intended that all ex-
25 isting obligations of said retirement and pension systems as of the date of
26 transfer as aforesaid, are assumed and shall be discharged by the retirement
27 system herein created.

1 17. Subject to the other provisions of this act, any employee member
2 who shall have served or who shall hereafter have served in the employ of
3 such city in the aggregate for a period of 30 years and who shall have at-
4 tained the age of 55 years, or who shall have served in the aggregate for a
5 period of 25 years and have attained the age of 60 years, shall, upon his ap-
6 plication, be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at
7 the time of his retirement, and for each year of service beyond 30 years and
8 up to 40 years the retiring employee shall, for each additional year, receive
9 an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the time of
10 his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$ of the an-
11 nual salary received by the said employee member, nor shall any pension
12 exceed the sum of \$7,500.00 per annum.

1 18. Subject to the other provisions of this act, upon and after the death
2 of such employee or pensioner, said retirement pension shall be paid to the
3 surviving widow, so long as she remains unmarried; surviving dependent
4 widower, as herein defined, so long as he remains unmarried; minor children
5 or dependent parents, as the case may be; provided, however, that in no in-
6 stance shall a pension payment to such widow, dependent widower, minor
7 children or dependent parent exceed \$2,000.00 per annum.

1 19. Subject to the other provisions of this act, any member employee
2 who shall have served or who shall hereafter have served in the employ of
3 such city continuously for a period of 1 year and shall become permanently
4 and totally disabled as the result of injury or illness not arising out of and
5 in the course of his employment, shall, upon his application and approval
6 thereof by the commissioners be retired on a pension equal to $2\frac{1}{2}\%$ of the
7 salary received by him at the time of his retirement; and for each additional
8 year of aggregate service, but not more than 20 years of service in the aggregate,
9 the amount of said pension shall be increased to the extent of $2\frac{1}{2}\%$ of
10 said salary for each year, not exceeding in any event 50% of said salary;
11 provided, however, that for each year of service over 30 years there shall be
12 an increase of disability pension of $2\frac{1}{2}\%$ of the salary received by the em-
13 ployee at the time of said retirement; provided, further, however, that no
14 such pension, regardless of service or disability, shall exceed $\frac{3}{4}$ of the an-
15 nual salary of said employee at the time of retirement; nor shall any such
16 pension be in excess of \$7,500.00 per annum. Upon and after the death of
17 such retired member or upon and after the death of any member who died as
18 a result of injury or illness not arising out of and in the course of his em-
19 ployment, the said pension or a pension based upon the services of said mem-
20 ber as the case may be, shall be paid to the surviving widow, so long as she
21 remains unmarried, surviving dependent widower, so long as he remains un-
22 married, minor children or dependent parent, as the case may be; provided,
23 however, that in no instance shall said pension exceed the sum of \$2,000.00 per
24 annum. Subject to the other provisions of this act, any city employee who
25 shall become permanently or totally disabled as a result of injury, accident
26 or sickness arising out of and in the course of his employment shall, upon his
27 application and approval thereof by the commission, be retired on a pension
28 equal to $\frac{1}{2}$ of the annual salary received by him at the time of his retire-
29 ment; provided, however, that in no instance shall the pension exceed \$7,500.00
30 per annum; and provided further, however, that where an employee has
31 served more than 30 years he shall be entitled to $2\frac{1}{2}\%$ of his annual salary
32 for each additional year of service over 30 years, but not exceeding 40 years,
33 and in no event shall such pension exceed \$7,500.00 annually.

1 20. Upon and after the death of such retired member or upon and after
2 the death of any member who dies as a result of any disability, injury or dis-
3 ease arising out of and in the course of his employment, the said pension or
4 a pension of $\frac{1}{2}$ of the said annual salary of such member shall be paid as here-
5 inafter provided to the surviving widow, so long as she remains unmarried;
6 surviving dependent widower, so long as he remains unmarried; minor chil-
7 dren or dependent parent, as the case may be, provided, however, that in no
8 instance shall the pension exceed \$2,000.00 per annum.

1 21. The commission shall have the power to determine whether or not
2 any member is permanently and totally disabled, and whether or not (a) dis-
3 ability or death of a member as a result of an injury, accident or sickness
4 arises out of and in the course of the member's employment or otherwise.
5 The claimant member shall have the right to present physician or physi-
6 cians, witnesses or other testimony in his behalf before the commission. The
7 chairman or other member of the commission may administer oaths to any
8 physicians or other persons called before the commission regarding the em-
9 ployee's disability or death. The commission shall decide by resolution
10 whether the applicant is entitled to the benefits of this act.

1 22. Once each year the commission may require any member retired for
2 disability, who is under the age of 60 years to undergo medical examination
3 by a physician or physicians designated by the commission. The examination
4 may be made at the residence of the pensioner or other place mutually
5 agreed upon. If the physician or physicians thereupon report and certify to
6 the commission that the pensioner is not permanently and totally incapaci-
7 tated, either physically or mentally, for the performance of the duties which
8 were performed by the pensioner before retirement on disability, then the
9 commission shall order said pensioner to be taken from the pension rolls and
10 restored to the position held by said pensioner before his or her retirement.

1 23. Subject to the other provisions of this act, upon the death of any
2 member who shall have served or who shall hereafter have served in the
3 employ of the city continuously for a period of at least 5 years, there shall be
4 paid to the surviving widow, so long as she remains unmarried; surviving

5 dependent widower, so long as he remains unmarried; minor children or de-
6 pendent parent, as the case may be, an amount equal to 2½% of the salary
7 received by such employee at the time of his death and 2½% of said yearly
8 salary for each additional year of service more than 1 year, but not exceeding
9 in any event 50% of said salary received at the time of death, and in no
10 instance shall such pension exceed \$2,000.00; provided, however, that wherever
11 the provisions of any of the 3 pension funds which have been merged into
12 the fund, provide for greater benefits for the present members thereof, their
13 widows, widowers, minor children or dependent parent, then and in that
14 event the said widow, widower, minor children or dependent parent shall be
15 entitled to said greater benefits as therein provided; and provided, further,
16 that after 5 years' membership in the retirement system, the pension pay-
17 ment to widow or widower shall not be less than \$1,000.00.

1 24. Subject to the other provisions of this act, upon and after the death
2 of any member pensioner or beneficiary the benefits herein provided for the
3 surviving widow, surviving dependent widower, minor children and dependent
4 parent shall be paid in the following manner of priority:

5 (1) To the surviving widow, so long as she remains unmarried, or to the
6 dependent widower, so long as he remains unmarried;

7 (2) If no widow or dependent widower, or upon the death of such widow
8 or dependent widower, then the pension shall be paid to the guardian of the
9 minor children, for the exclusive use of said children, in the following
10 amounts, \$50.00 per month for each minor child, provided further that in no
11 event shall the funds paid to minor children exceed in the aggregate the sum
12 of \$2,000.00 annually.

13 (3) In the event there be no surviving widow, dependent widower or
14 minor children, then the pension shall be paid to the dependent parent or
15 parents in equal shares.

1 25. In the case of an adopted child, adoption must have existed for a
2 period of at least 5 years from the date of adoption. Such benefit shall cease
3 when such child attains the age of 18 years. Payments to adopted children
4 shall be according to the table of pension benefits above set forth for minor
5 children.

1 26. The following provisions shall apply to all members of the retirement
2 system:

3 (a) No pension shall be paid to a minor child under the age of 18 years
4 of a female member unless the child is and continues to remain dependent
5 upon the income which the member was receiving at the time of her death.
6 The commission shall determine the question of the dependency of the sur-
7 viving dependent widower or said minor children.

8 (b) When a member of the retirement system dies leaving no benefi-
9 ary, him surviving as aforementioned, there shall be paid to his or her estate
10 \$500.00, or the total contribution deducted from the employee's salary, which-
11 ever is lesser.

12 (c) Where a husband and wife are each receiving a pension as a retired
13 employee from any retirement system supported wholly or in part by the city,
14 county or State, except as otherwise herein provided, then upon the death of
15 either the survivor shall elect to accept one or the other of the two pensions,
16 but in no case shall said survivor receive more than one pension at the same
17 time. If the deceased was a member of this retirement system, the surviving
18 widow or surviving dependent widower may continue to receive the pension
19 being paid to him by reason of his membership in any other pension system
20 or fund and in that event he shall be entitled to receive from this pension
21 fund a sum equal to 50% of the total contributions paid into this pension
22 fund by the said deceased husband or wife, as the case may be, less any
23 actuarial and pension benefits received by the deceased member.

24 (d) Any member or other beneficiary receiving a pension under the
25 provision of this act who shall be appointed to any position or office, and be
26 thus entitled to a salary which is paid from public funds, shall during such
27 employment, receive no payments or pension or other benefits under this act.

28 (e) Where any employee or other beneficiary is entitled to receive two
29 pensions under the provisions of this act, or under the provisions of this and
30 any other State act, such employees or other beneficiary shall elect to re-
31 ceive one or the other of the two pensions, and in no case shall receive more
32 than one pension; provided, however, that in any case where any city em-
33 ployee, at the time of the adoption of this act, is also employed by any county

34 and is a member of and contributing money out of his city salary to the city
35 employees' retirement system, in accordance with this act, and at the same
36 time is a member of and contributing money out of his county salary to any
37 county employees' retirement or pension system of such county, in accord-
38 ance with the statutes concerning such system, he shall be entitled, for him-
39 self and his beneficiaries, to such benefits of both the county and municipal
40 retirement or pension systems as such systems respectively provide.

41 (f) The rights of any employee or beneficiary to receive compensation
42 under the Workmen's Compensation Act of New Jersey shall not be affected
43 nor impaired by any of the provisions of this act.

44 (g) Where the service of an employee is terminated by reason of con-
45 viction of a crime involving moral turpitude, no pension under this act shall
46 be paid to any such employee; provided, however, that no member of this re-
47 tirement system who shall have served honorably as a city employee for a
48 period of 25 years and shall have attained the age of 60 years, or who has
49 served honorably as a city employee for a period of 30 years and has attained
50 the age of 55 years, shall be deprived of his pension privileges because of
51 any violation of the rules and regulations established for the government of
52 such city employees.

53 (h) Where any pension or other benefit shall be payable from the retire-
54 ment system herein provided to any retired employee or other beneficiary
55 who is or shall be confined in a penal institution as a result of conviction of
56 a crime involving moral turpitude, the pension commission may pay such
57 pension or any part of it or other benefit to the wife, husband, minor chil-
58 dren, mother or father of the confined person, if it determines the same is
59 necessary for their maintenance during such confinement.

60 (i) All payments of pension shall be made semimonthly, and payments
61 of pensions, refunds or other benefits of this act shall be made without in-
62 terest.

63 (j) The benefits of this act shall not extend to the widow or widower
64 of any city employee or of any pensioner who shall remarry or shall have mar-

65 ried such employee or pensioner after such employee or pensioner has retired
 66 or attained the age of 55 years, nor to any children of such marriage.

1 27. A fund to pay pensions under this act shall be created and maintained
 2 as follows:

3 (A) The financial officer of the city shall deduct from every payment of
 4 salary (a) to any person who becomes a city employee after the enactment
 5 of this act and who becomes a member of this retirement system, and pay into
 6 the retirement system 5% of the amount of said salary, provided such em-
 7 ployee was under 35 years of age at the time of his permanent appointment;
 8 provided, however, that any person entering the service of the municipality
 9 and becoming a member of this retirement system after reaching the age of
 10 35 years and any present city employee not now a member of any of the 3
 11 funds which are being merged into this retirement system, and who qualifies
 12 for membership under the provisions of this act and who was over 35 years
 13 of age at the time he received his permanent appointment, shall contribute to
 14 and there shall be deducted from his annual salary the following percent-
 15 ages, depending upon the age of said employee at the time of his permanent
 16 employment:

17	AGE	PERCENTAGE OF DEDUCTIONS
18	Over 35 years and under 36 years.....	5 $\frac{1}{4}$ %
19	Over 36 years and under 37 years.....	5 $\frac{1}{2}$ %
20	Over 37 years and under 38 years.....	5 $\frac{3}{4}$ %
21	Over 38 years and under 39 years.....	6%
22	Over 39 years and under 40 years.....	6 $\frac{1}{4}$ %
23	Over 40 years and under 41 years.....	6 $\frac{1}{2}$ %
24	Over 41 years and under 42 years.....	6 $\frac{3}{4}$ %
25	Over 42 years and under 43 years.....	7%
26	Over 43 years and under 44 years.....	7 $\frac{1}{4}$ %
27	Over 44 years and under 45 years.....	7 $\frac{1}{2}$ %
28	Over 45 years and up to 50 years.....	8%

29 (b) to any employee who is, at the time of the enactment of this act a member
30 of any of the 3 aforesaid pension funds that are being merged into this re-
31 tirement system and who is now contributing less than 5% of his annual sal-
32 ary, the sum of 5% of the amount of his annual salary shall be deducted; (c)
33 to any member of any of the 3 pension funds being merged into this retire-
34 ment system who is now contributing more than 5% of his annual salary 1%
35 of his annual salary in addition to the amount now being deducted from said
36 annual salary. Such deductions shall continue to be made during the entire
36A period of employment of the member and until the death or retirement of
37 said member; provided, however, that such deductions shall be continued for
38 a total period of at least 25 years, and in the event that death or retirement
39 occurs before the completion of the 25-year period, the aforesaid deductions
40 shall thereafter be continued to be made from the pension payments made
41 pursuant to this act for the said period of time. The period during which
42 any employee contributed to this retirement system, and any prior service
43 credits granted such employee and standing to his credit under the various
44 statutes referred to previously, shall be considered as part of the 25-year pe-
45 riod herein referred to; provided, however, where an employee is promoted
46 to a higher position in a temporary capacity, he shall continue to have de-
47 ducted from his salary the amount of deductions due the pension fund on his
48 permanent salary basis.

49 (B) The governing body of the city shall annually appropriate in the
50 city budget, raise by taxation, and contribute to the retirement system an
51 amount equal to the percentage of salary contributed by the members and
52 the pensioners of the said system. Such payment shall continue to be made
53 during the entire period of employment of each member and until the death
54 or retirement of each member; provided, however, that such payment shall
55 be continued in each case for a total period of at least 25 years, and in the
56 event that a member dies or retires before the completion of the 25-year
57 period, the said percentage shall thereafter continue to be made upon the
58 amount of pension payments resulting from such death or retirement until

59 the end of such 25-year period has been reached, provided, further, however,
60 the contribution of the city shall not continue beyond the time that the par-
61 ticular pension is paid or is being paid.

62 (C) All moneys given to or donated to the retirement system and all
63 earnings of this retirement system shall be deposited to the credit of the sys-
64 tem.

65 (D) All moneys required to meet the city contributions provided for
66 under this and all other sections of this act shall be appropriated annually in
67 the city budget by the governing body. If at any time there is not sufficient
68 money to meet the requirements of this system and pay the pensions or other
69 benefits provided for herein, the governing body shall, from time to time, in-
70 clude in any tax levy a sum sufficient to meet the said requirements and pay-
71 ments of the retirement system.

1 28. The commission shall estimate and certify annually to the governing
2 body a reasonable amount required to defray the administrative expenses
3 in this retirement system in the ensuing year, and the governing body shall
4 pay such amount to the commission as other expense funds of the city are
5 paid.

1 29. From and after the adoption of this act any employee who is or
2 becomes a member of this retirement system may not withdraw therefrom
3 and shall not be entitled to a refund of any of the moneys therefrom and
4 thereafter deducted from his salary hereunder; provided, however, that any
5 employee who is separated from the municipal service through discharge,
6 resignation, or for any reasons other than retirement, except as hereinafter
7 stated, shall be entitled to a refund of his contributions without interest less
8 any actuarial and pension benefits received. The obligation to refund
9 payments made to this retirement system shall not apply to an employee
10 suspended or discharged for causes which bar him from eligibility to reap-
11 pointment under civil service law and rules.

1 30. When a member of this retirement system is separated from serv-
2 ice or is absent on leave for a period in excess of 1 year, and said separation

3 or leave of absence is not otherwise specifically provided for by law, then
4 and in such event the commission may remove such member from the mem-
5 bership rolls of this system, whereupon the said member shall be entitled
6 to receive a refund of his contributions to the system in accordance with
7 section 29 of this act. Whenever a member of this retirement system be-
8 comes separated from the municipal service for any reason other than retire-
9 ment or entry into the Armed Forces and subsequently re-enters the serv-
10 ice of the municipality within 5 years after such separation, then all the
11 rights and benefits hereunder enjoyed by such member prior to such separa-
12 tion shall be restored to him upon payment of any refunds given to him at
13 the time of his separation from the service; provided, however, that such
14 member shall not be entitled to receive credit for pension purposes for the
15 time elapsing during such separation period. Such repayment of refunds
16 may be made either (1) in 1 sum or (2) by regular pay-roll deductions over
17 a period of not more than 5 years, but in no event to extend beyond the
18 date upon which such employee attains the age of 60 years, such install-
19 ments to be deducted in addition to the other deductions made from his sal-
20 ary for this retirement system.

1 31. Upon the adoption of this act, the transfer of membership from any
2 of the existing funds organized under the provisions of article 2, chapter
3 13, Title 43 of the Revised Statutes; and of chapter 18, Title 43 of the Re-
4 vised Statutes; and of chapter 19, Title 43 of the Revised Statutes to this
5 retirement system shall result in a contractual relationship with the city,
6 the benefits of which shall not be diminished or impaired insofar as the pro-
7 visions of this system are concerned.

1 32. The commission shall report annually the condition of the retire-
2 ment system and the manner in which its funds are invested. The report
3 shall be filed with the governing body of the municipality for the use of the
4 employees and the public. All systems created by this act and all pen-
5 sions, refunds and contributions granted under this act shall be exempt from
6 any State, county or municipal tax, levy and sale, garnishment, sequestra-

7 tion or attachment, or any other process, legal or equitable or both, and
8 shall not be assignable.

1 33. Any person who shall knowingly make any false statements or shall
2 falsify or permit to be falsified any record or records of this retirement sys-
3 tem in any attempt to defraud such system, shall be guilty of a misde-
4 meanor, and shall be punishable therefor under the laws of the State of
5 New Jersey. Should any change of the record or any mistake in the records
6 result in any member or beneficiary receiving from the retirement system
7 more or less than he or she would have been entitled to receive had the rec-
8 ords been correct, then, upon the discovery of any such error, the commission
9 shall correct such error and, so far as possible, shall adjust the payments
10 which may be made to or by such person in such a manner that the equiva-
11 lent of the benefit to which he or she was correctly entitled shall be made.

1 34. To provide for the solvency of this retirement system in addition
2 to and separate and distinct from any obligation heretofore placed upon the
3 city by any provision of this act the city shall raise by taxation and pay
4 into the retirement system yearly the sum of \$100,000.00 for a period of 20
5 years, said period to commence immediately upon the adoption of this act.

1 35. Any person who, after the enactment of this act becomes a perma-
2 nent employee of the city and becomes a member of this retirement system
3 and shall have served in the employ of the city in the aggregate for a period
4 of at least 25 years, and who shall have attained the age of 70 years, shall
5 be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at the time
6 of his retirement, and for each year of service beyond 30 years and up to
7 40 years, the retiring employee shall for each additional year of service re-
8 ceive an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the
9 time of his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$
10 of the annual salary received by the said employee, nor shall any pension
11 exceed the sum of \$7,500.00 per annum.

1 36. The commission shall be empowered to affiliate with similar State
2 and national organizations.

1 37. If for any reason any section or part of any section or any provi
 2 sions of this act shall be questioned in any court, and shall be held to be
 3 unconstitutional or invalid, the same shall not be held to affect any other
 4 section or part of any section or provisions of this act.

1 38. The commission may require all pensioners and beneficiaries to an-
 2 nually file an affidavit or affidavits as to their status as pensioners or bene-
 3 ficiaries.

1 39. Nothing in this act shall affect, modify or repeal any of the provi-
 2 sions of chapter 119 of the laws of 1941 or of chapter 250 of the laws of 1948.

1 40. This act shall take effect immediately.

SPONSOR'S STATEMENT to Assembly No. 252

The purpose of this bill is to create a retirement system for all permanent employees of the city of Newark, except policemen and firemen; (1) by merging the 3 pension funds known as the Board of Health Pension Fund, Municipal Employees' Pension Fund and the Board of Works Pension Fund; and (2) providing for present employees of the city, who are not now members of any of these funds, and who were under 50 years of age at time of permanent employment, to join, upon passing the necessary physical and medical examinations, and receiving credit for prior years of service, or part of this prior service, by paying arrearages, with 3% interest, within a period of not more than 5 years; (3) future employees, under 45 years of age, must join the fund, as a condition of their employment if they pass the necessary medical and physical examination.

The intent of the bill is to strengthen the retirement system financially by increasing the deductions of present members of the 3 existing funds from the present rates of 3% or 4% to 5%. The schedule of deductions goes to 8% in some cases.

The city will contribute an amount equal to that deducted from the member's salary and for a period of 20 years contribute an additional \$100,000.00 each year.

Contributions by members and the city continue for a period of at least 25 years, except in certain specified instances.

Members cannot withdraw from membership, but in case of discharge, resignation, etc., a member shall be entitled to certain refunds. A member leaving the service of the city, and returning within 5 years, may be reinstated but must pay refunds, but receives no credit for the period of time he was out of service.

Members in the armed service are protected.

Pension Commission to be composed of 7 members, the Mayor and 2 members of governing body, designated by him, 3 employee members, and 1 resident of the city who holds no office in city government.

The salary limit for pension purposes is \$10,000.00, except as to members of existing 3 funds.

Retirement age 55, after 30 years, or 60 years after 25 years of service.

Pension at retirement for age and service, $\frac{1}{2}$ of annual pay. For those serving over 30 years, and not more than 40 years, $2\frac{1}{2}\%$ additional for each year over 30 years. Limit of pension $\frac{3}{4}$ of salary—\$7,500.00 limit.

Provision is made for pension of employees injured in line of duty and also for those becoming ill or injured outside the line of duty.

Widow, widower, minor children (under 18 years of age) and dependent parents, eligible for pension benefits, with a limit of \$2,000.00 per annum.

Widow and widower are defined in the act.

The Chairman, Secretary and Treasurer of the Fund must be employee members.

Commission receives no salary, but necessary expense. They may have their own attorney, physicians, and necessary employees. They shall make necessary rules and regulations, and each city department shall furnish information and records to aid the pension commission.

The assets and obligations of the 3 existing funds are transferred to the new retirement system.

If there is no beneficiary, the sum of \$500.00, or the amount of contributions by the member, whichever is lesser.

The act provides that as to members of the 3 existing funds, who are transferred to this fund, there shall be a contractual relationship with the city, and the benefits shall not be diminished.

This act shall not diminish any benefits which have been provided for in the 3 existing funds for the members thereof.

This bill was prepared after numerous conferences between the governing body of the city of Newark and representatives of the 3 existing pension funds.

ASSEMBLY COMMITTEE AMENDMENTS TO

ASSEMBLY, No. 252

STATE OF NEW JERSEY

ADOPTED APRIL 22, 1954

Amend page 4, section 3, line 4, omit "2" insert "1".

Amend page 4, section 3, line 4, omit "members" insert "member".

Amend page 4, section 3, line 5, omit "1 of whom shall be".

Amend page 4, section 3, line 6, after first "city" insert "to be designated by the mayor".

Amend page 10, section 15, line 4, omit " ;".

Amend page 10, section 15, line 5, omit first "of".

Amend page 10, section 15, line 5, omit " ;".

Amend page 10, section 15, line 5, omit third "of".

Amend page 10, section 15, line 6, after "Statutes" insert ", except as otherwise provided in this act".

Amend page 15, section 26, lines 10 and 11, omit and insert "a sum equivalent to 50% of his contribution to the retirement system, without interest."

Amend page 17, section 27, line 6, omit "5%" insert "not less than 5% or more than 7%, as determined from time to time by the commission,".

Amend page 17, section 27, line 16, after "employment" insert ", as shall be determined from time to time by the commission".

Amend page 17, section 27, line 18, omit "5¼%" insert "not less than 5¼% or more than 7¼%".

Amend page 17, section 27, line 19, omit "5½%" insert "not less than 5½% or more than 7½%".

Amend page 17, section 27, line 20, omit "5¾%" insert "not less than 5¾% or more than 7¾%".

Amend page 17, section 27, line 21, omit "6%" insert "not less than 6% or more than 8%".

Amend page 17, section 27, line 22, omit "6¼%" insert "not less than 6¼% or more than 8¼%".

Amend page 17, section 27, line 23, omit "6½%" insert "not less than 6½% or more than 8½%".

Amend page 17, section 27, line 24, omit "6¾%" insert "not less than 6¾% or more than 8¾%".

Amend page 17, section 27, line 25, omit "7%" insert "not less than 7% or more than 9%".

Amend page 17, section 27, line 26, omit "7¼%" insert "not less than 7¼% or more than 9¼%".

Amend page 17, section 27, line 27, omit "7½%" insert "not less than 7½% or more than 9½%".

Amend page 17, section 27, line 28, omit "8%" insert "not less than 8% or more than 10%".

Amend page 18, section 27, line 32, omit "5%" insert "not less than 5% or more than 7%, as shall be determined by the commission,".

Amend page 18, section 27, line 34, omit "1%" insert "not less than 1% or more than 3%, as shall be determined by the commission,".

Amend page 18, section 27, line 36, after "salary." insert "The commission shall increase the rates of contribution provided herein, to the maximum, likewise as provided herein, whenever the retirement system created by this act shall have no assets or be unable to meet its obligations in accordance with the provisions of this act; provided, however, that no insufficiency of funds shall be made up by the city until the commission shall have required deductions from employees at the maximum rates set forth in subsection A of this section.".

Amend page 20, section 31, lines 6 and 7, omit and insert "and the benefits accruing under the aforesaid statutes shall not be diminished or impaired; provided, however, that nothing herein contained shall affect the rates of contributions hereinbefore set forth for members and pensioners of this retirement system."

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 252

STATE OF NEW JERSEY

INTRODUCED MARCH 22, 1954

By Mr. DEL TUFO

Referred to Committee on State, County and Municipal Government

AN ACT to provide for the creation, setting apart, maintenance and administration of a city employees' retirement system in cities of the first class having, at the time of the enactment of this act, a population in excess of 400,000 inhabitants; and merging and superseding the provisions of pension funds established pursuant to article 2 of chapter 13, chapters 18 and 19, of Title 43 of the Revised Statutes, in said cities.

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

1 1. As used in this act:

2 "Service" shall always, unless otherwise stated, be considered as in the
3 aggregate.

4 "Salary" or "compensation," when used solely for the purpose of fix-
5 ing benefits under this act, means annual salary or compensation earned by
6 a member as a permanent employee at the time of his death or retirement;
7 provided, however, that \$10,000.00 shall be the maximum amount of the an-
8 nual salary of any member which shall be considered for any purpose under
9 this act; provided further, however, that as to any employee who, at the
10 time of the adoption of this act, is a member of any retirement system in
11 operation in the city under and by virtue of article 2, chapter 13, Title 43 of
12 the Revised Statutes; and of chapter 18, Title 43 of the Revised Statutes; and
13 of chapter 19, Title 43 of the Revised Statutes, the total annual salary re-

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

14 ceived by such member as a permanent employee at the time of his death
15 or retirement shall be considered for pension or other purposes under this
16 act, except as otherwise provided herein.

17 "Pension fund" or "fund" means the fund referred to in section 2 of
18 this act, and is the fund from which pensions and other benefits provided
19 for in this act shall be paid.

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

21 "City," unless otherwise specified, means any city of the first class of
22 the State of New Jersey having, at the time of the enactment of this act, a
23 population in excess of 400,000 inhabitants.

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

25 "City employee" or "employee" means and includes all permanent em-
26 ployees as defined by Title 11 of the Revised Statutes of New Jersey (Civil
27 Service Law) in service in any city of the first class of this State, as here-
28 inabove defined; and shall mean and include all permanent employees of any
29 city board, body or commission maintained out of city funds in such city.
30 Notwithstanding the provisions of any other statute of this State, any per-
31 son under 45 years of age hereafter accepting permanent employment in the
32 city (excepting uniformed policemen or firemen) shall become a member of
33 the pension fund provided by this act as a "city employee" or "employee"
34 as hereinabove defined; and except as herein otherwise provided, any such
35 person of the age of 45 years or over shall be ineligible to become a mem-
36 ber; provided, however, that any employee who, at the time of the adoption
37 of this act, is a member of any retirement system in operation in such city
38-39 under and by virtue of article 2, chapter 13, Title 43 of the Revised Stat-
40 utes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter 19,
41 Title 43 of the Revised Statutes, shall not be barred from membership in this
42 retirement system on account of age of any such employee.

43 Notwithstanding the provisions of chapter 1, Title 43 of the Revised
44 Statutes, any present employee of the city as herein defined, who was not
45 more than 50 years of age at the time of his permanent appointment, shall

46 have the right to become a member of the retirement system established by
47 this act, by declaring his intention in writing so to do, within 2 months after
48 the formation of the commission created by this act.

49 All such applicants shall submit to and pass a physical examination
50 as required by the commission, and shall pay into the retirement system all
51 arrears of dues and assessments determined by the commission, with inter-
52 est thereon at 3%, in order to receive credit for said prior service as an em-
53 ployee, for the purposes of this act. The maximum length of time to be
54 afforded any such employee for payment of said arrears and interest thereon
55 shall be 5 years from the date of membership in said system.

56 "Widow" or "widower" means the surviving spouse of a city employee
57 married to such employee for a period of at least 5 years prior to the retire-
58 ment or death of such employee, except as otherwise provided herein, and
59 said marriage having occurred prior to the time when such employee reached
60 the age of 55 years, except that where death results from and as a result
61 of an accident or injury sustained in the line of duty, the widow or widower
62 shall be entitled to the benefits hereinafter set forth, even though the mar-
63 riage has not been in existence for a period of 5 years; provided, however,
64 that no pension shall be paid to the surviving husband of a deceased em-
65 ployee unless he shall be and shall continue to remain dependent upon the
66 income which such employee was receiving at the time of her death, or unless
67 he shall be and shall continue to remain physically or mentally incapable
68 of pursuing a gainful occupation. No pension shall be paid to any minor
69 child or dependent parent of such female employee unless such minor child
70 or dependent parent shall be and shall continue to remain dependent upon
71 the income which such employee was receiving at the time of her death. The
72 pension commission shall determine the question of the dependency of the
73 surviving husband, minor child or dependent parent, as well as the ability
74 of the surviving husband to pursue some gainful occupation.

75 "Minor child" means a child under the age of 18 years, whose father
76 or mother was married to the employee-member for a period of at least 5

77 years prior to the retirement of said employee, and the said marriage hav-
78 ing occurred prior to the time such employee arrived at the age of 55 years.

79 "Dependent parent" shall mean a dependent parent or parents who is
80 or are solely dependent for support upon the employee-member.

81 "Commission" shall mean Pension Commission.

82 "Commissioners" shall mean Pension Commissioners, unless otherwise
83 specified.

84 "Permanent" and "total" disability means physical or mental inca-
85 pacity of an employee, as determined by the commission, and which would
86 make the employee unable to perform the duties of his position or office.

87 "Employees' Retirement System, of (name of city)" shall be the name of
88 the retirement system provided under the provisions of this act. By that
89 name all of its business shall be transacted, its funds invested, warrants for
90 money drawn and payments made, and all of its cash and securities and
91 other property held.

1 2. In each city, as defined by this act, an employees' retirement system
2 shall be and is hereby created, set apart, maintained and administered in
3 the manner prescribed in this act, for the benefit of employees of such city,
4 and the widows, widowers, children and dependent parents of such em-
5 ployees; and also of all contributors to, participants in and beneficiaries of
6 any pension fund in operation in such city, at the time this act shall become
7 effective, under and by virtue of article 2, chapter 13, Title 43 of the Revised
8 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter
9 19, Title 43 of the Revised Statutes.

1 3. There is hereby authorized to carry out the provisions of this act,
2 and charged with the duty of administering the retirement system provided
3 for herein, a pension commission composed of 7 members, consisting of, the
4 mayor of said city; [2] 1 other [members] member of the governing body
5 of said city, to be designated by the mayor, [1 of whom shall be] the financial
6 officer of the city *to be designated by the mayor*; 3 city employees who are
7 members of the retirement system created by this act; and, 1 resident of
8 the city who is not the holder of any public office or position.

9 The resident of the city shall be selected by a majority vote of the other
10 6 members of the commission to serve for a period of 1 year.

11 The 3 city employee members of the commission shall, for the purposes
12 of the first election hereunder, be elected within 60 days after the adoption
13 of this act, in the manner following:

14 Each of the 3 pension funds existing in the city at the time of the adop-
15 tion of this act shall elect 1 of its members to the commission for a term to
16 commence immediately following his election and to end January 1 of the
17 second year following the year of adoption of this act.

18 The said elections shall be held at a meeting called for the purpose, after
19 30 days' written notice of the time and place thereof has been given by the
20 mayor (or other city officer designated by him) to all such employee members
21 of said pension funds. Nominations shall be made by written petition only,
22 filed with the mayor at least 15 days prior to such elections, and each peti-
23 tion shall contain at least 50 signatures of members of the said pension funds
24 entitled to participate therein.

25 The first election after the passage of this act shall be conducted by the
26 mayor of said city or by a committee designated by him.

27 All elections of the city employee members of the Pension Commission
28 held subsequent to the first election shall be in the manner following, except
29 as herein provided:

30 The elections shall be held at a meeting of the members of the retire-
31 ment system on the third Tuesday of December of each year, except as here-
32 inbefore provided as to the terms of office of the first city employee members
33 of the commission, after 30 days, written notice of the time and place thereof
34 has been given by the mayor (or other city officer designated by him) to all
35 members of the system. Nominations shall be by written petition only, filed
36 with the secretary of the commission at least 15 days prior to such election,
37 and each petition shall contain at least 50 signatures of members of the re-
38 tirement system.

39 The member receiving the highest number of votes cast shall be elected
40 to serve a term of 3 years, commencing January 1 of the year following the
41 election; and the member receiving the next highest number of votes cast
42 shall be elected to serve a term of 2 years, commencing January 1 of the
43 year following the election; and the member receiving the third highest num-
44 ber of votes cast shall be elected to serve for a term of 1 year, commencing
45 January 1 of the year following the election.

46 Thereafter, on the third Tuesday of December of each succeeding year, 1
47 member shall be elected to the commission for the term of 3 years, com-
48 mencing January 1 of the year following the election.

49 The pension commission, or a committee designated by the commission,
50 shall conduct all elections held pursuant to these provisions.

1 4. In case of vacancy for any cause, the commission shall, by a majority
2 vote, appoint a person possessed of the same qualifications to fill such vacancy
3 until the next election. Any member of the commission, excepting the citi-
4 zen member, who shall leave the service of the city shall automatically cease
5 to be a member of said commission.

1 5. The commission shall hold its annual meeting in the month of Janu-
2 ary in each year and elect its chairman and such other officers as it deems ad-
3 visable. The chairman shall be chosen from among the employee members
4 of the commission. The commission shall fix the compensation of all ap-
5 pointees, and shall serve without compensation but shall be reimbursed for
6 any necessary expenditures; and the employee members shall suffer no loss
7 of salary or other wages through service for or on the commission. The com-
8 mission shall secure the services of such physician or physicians as shall be
9 necessary to make the medical examinations required by this act. The com-
10 mission shall appoint an attorney for the said commission and shall fix his
11 compensation.

1 6. The first secretary and treasurer appointed shall be bona fide civil
2 service employees and members of 1 of the 3 funds consolidated by the pro-
3 visions of this act. Their successors and any other employee necessary to

4 carry out the provisions of this act shall be employed in accordance with
5 Title 11 of the Revised Statutes (Civil Service Law); all of whom shall be
6 construed as city employees for any purpose whatsoever and eligible within
7 the fund.

1 7. The commission shall have control and management of the funds and
2 of the retirement of employees who are members of the fund. The commis-
3 sion shall, from time to time, subject to the limitations of this act, establish
4 rules and regulations for the transaction of its business and the administra-
5 tion of this act. Under the direction of the commission, the head of each city
6 department shall furnish such information and shall keep such records as
7 the commission may require for the discharge of its duties.

1 8. The commission may require each employee of the city to file a state-
2 ment or statements, in such form as said commission shall direct, concern-
3 ing his service or other matters covered by this act.

1 9. The commission shall have the power to compel witnesses to attend
2 and testify before it upon any matter concerning the retirement system and
3 allow fees not in excess of \$3.00 to any such witness for such attendance
4 upon any 1 day; provided, however, that any city employee called as a wit-
5 ness shall not be paid any witness fee but shall not suffer the loss of any
6 salary. The chairman and other members of said commission are empow-
7 ered to administer oaths to such witnesses. All retirements shall be made
8 and pensions allowed by the commission in accordance with the provisions
9 of this act and the rules and regulations of the commission.

1 10. The commission shall be known as the "pension commission of the
2 employees' retirement system of (name of city)."

1 11. All moneys, the property of the retirement system, shall be received
2 and paid to the treasurer of the retirement system who shall be bonded,
3 such bonds to be paid for by the system. All moneys paid by the retire-
4 ment system shall be paid by the treasurer of the fund by check, signed by
5 the treasurer and countersigned by the chairman of the commission, after
6 approval at a meeting of the commission.

1 12. The commission shall deposit the funds of the system in any deposi-
2 tories lawful for the deposit of municipal funds. All moneys not needed
3 for immediate purposes may be invested by the commission in interest-
4 bearing bonds of the United States Government, State or bi-State agencies,
5 bureaus or subdivisions in this State.

1 13. The members and conditions of membership in the retirement sys-
2 tem created by this act shall be as follows:

3 (a) All persons who shall hereafter become employees of the city, prior
4 to attaining the age of 45 years, shall, upon satisfactory completion of 3
5 months' service, become members of the retirement system herein created,
6 as a condition of their employment; provided that all such persons shall
7 submit to and pass the physical and mental examination required by the
8 commission and shall furnish such evidence of good health, at said time,
9 as the commission shall require; provided further, however, that the fail-
10 ure to pass the said physical and mental examination or failure to furnish
11 satisfactory evidence of good health at such time shall not deprive the em-
12 ployee of his employment.

13 The failure of any employee-member to comply with the rules and reg-
14 ulations prescribed by the commission, pursuant to this act, shall result in
15 the suspension or termination of membership in, or benefits of, this retire-
16 ment system as may be provided from time to time by the commission.

17 (b) All employees of the city, who, at the time of the adoption of the act,
18 as provided hereinbefore, were under 50 years of age at the time of their
19 permanent appointment and are found physically and mentally fit, and
20 are not members of any retirement system supported wholly or in part by
21 the city, may become members of the retirement system created by this
22 act, upon written application made to the commission within 2 months after
23 the establishment of the commission, under 1 of the following 2 plans:

24 (c) To receive credit for all the time served as a permanent employee
25 with the city prior to joining this retirement system. Such employee shall
26 pay into this fund a sum of money equal to an amount based upon the

27 percentage hereinafter stated that would have been deducted from his salary
28 from June 1, 1928, or from the date of his permanent employment, which-
29 ever is the lesser period; provided, however, that if the employee desires
30 to receive credit for only a portion of the time served as a permanent em-
31 ployee he shall make payments accordingly and shall receive credit for
32 that portion of the said prior service as is covered by these payments.
33 Said sum of money may be paid in one lump sum or by regular pay-roll
34 period deductions from the salary, together with the regular deductions
35 provided by this act, until completed; and the financial officer of the city is
36 authorized to deduct the said amounts from the salary of said employee.
37 Upon such payment or payments being made, the city shall annually pay
38 into the retirement system, herein provided for, a sum of money equal in
39 amount to the employee's principal payment. All payments aforesaid by
40 the employee shall be made together with 3% interest thereon. The maxi-
41 mum length of time for the payment of all arrears and interest shall be
42 5 years from the date of membership in the fund.

43 (d) By regular deductions from the salary of any employee electing to
44 become a member of this fund, without the benefit of prior service, if any,
45 and credit therefor hereunder. Said deductions shall commence upon mem-
46 bership in the fund; and such employee shall not receive credit for any
47 prior services rendered theretofore in his municipal office or position.

48 (e) All employees who at the time of the adoption and approval of this
49 act are members of any of the following retirement systems in effect in said
50 city, under and by virtue of article 2, chapter 13, Title 43 of the Revised
51 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chap-
52 ter 19, Title 43 of the Revised Statutes, shall, upon the effective date of
53 this act, automatically become members of the city employees' retirement
54 system provided for by this act; and every such employee shall be deemed
55 to agree and consent to such transfer of his membership.

1 14. All employee members of the existing pension funds aforesaid, who
2 become members of the city employees' retirement system provided by this
3 act, shall be given credit for pension purposes hereunder and for all serv-

4 ices rendered to the city prior to the effective date of this act; provided,
5 however, that in case any such employee had heretofore agreed, under the
6 provisions of the 3 statutes aforesaid, to pay for any part or all such serv-
7 ices rendered to the city prior to the effective date of this act, then the transfer
8 of such employees' membership into this retirement system shall include the
9 transfer to this system of all the conditions and obligations of such prior
10 agreement, not inconsistent with this act, made by such employee; and such
11 employee shall be deemed to agree and consent to the transfer to this system
12 of such conditions and obligations until the said conditions and the provi-
13 sions of this act have been fully complied with.

1 15. It is the intention of this act that the retirement system herein pro-
2 vided for shall, on and after the effective date of this act, and thereafter,
3 supersede and take the place of any pension fund then existing in the said
4 city pursuant to article 2, chapter 13, Title 43 of the Revised Statutes [;] and
5 [of] chapter 18, Title 43 of the Revised Statutes [;] and [of] chapter 19,
6 Title 43 of the Revised Statutes, *except as otherwise provided in this act.*

1 16. All of the aforesaid pension funds shall be and are hereby merged
2 into and become part of the retirement system created by this act; provided,
3 however, that until this act becomes effective all of the aforesaid 3 existing
4 city retirement and pension systems shall be administered in accordance with
5 the provisions of the respective statutes. All moneys, securities and other
6 assets of such other aforesaid pension funds and retirement systems shall be
7 transferred when this act becomes effective by the trustees of such systems
8 to the pension commission of the employees' retirement system of (name
9 of city), created by this act; which pension commission is hereby empowered
10 to receive the said funds and assets; for and on behalf of the employees'
11 retirement system herein provided for; and the said retirement and pension
12 funds created by virtue of article 2, chapter 13, Title 43 of the Revised Stat-
13 utes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter 19,
14 Title 43 of the Revised Statutes shall then cease to exist as separate retire-
15 ment and pension systems in said city; provided, however, nothing herein
16 contained shall deprive any member of the aforesaid pension and retirement

17 funds of any benefits provided for, under and by virtue of the provisions of
18 the said retirement and pension funds; and for these purposes the provisions
19 of those statutes shall continue in full force and effect, anything herein to the
20 contrary notwithstanding.

21 All pensions and other benefits allowed prior to the effective date of this
21A act, under the statutes hereinabove specified governing such other pension
22 funds shall thereafter be paid from the retirement system herein created
23 and according to the provisions of the statutes governing such other retire-
24 ment systems, except as herein otherwise provided. It is intended that all ex-
25 isting obligations of said retirement and pension systems as of the date of
26 transfer as aforesaid, are assumed and shall be discharged by the retirement
27 system herein created.

1 17. Subject to the other provisions of this act, any employee member
2 who shall have served or who shall hereafter have served in the employ of
3 such city in the aggregate for a period of 30 years and who shall have at-
4 tained the age of 55 years, or who shall have served in the aggregate for a
5 period of 25 years and have attained the age of 60 years, shall, upon his ap-
6 plication, be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at
7 the time of his retirement, and for each year of service beyond 30 years and
8 up to 40 years the retiring employee shall, for each additional year, receive
9 an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the time of
10 his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$ of the an-
11 nual salary received by the said employee member, nor shall any pension
12 exceed the sum of \$7,500.00 per annum.

1 18. Subject to the other provisions of this act, upon and after the death
2 of such employee or pensioner, said retirement pension shall be paid to the
3 surviving widow, so long as she remains unmarried; surviving dependent
4 widower, as herein defined, so long as he remains unmarried; minor children
5 or dependent parents, as the case may be; provided, however, that in no in-
6 stance shall a pension payment to such widow, dependent widower, minor
7 children or dependent parent exceed \$2,000.00 per annum.

1 19. Subject to the other provisions of this act, any member employee
2 who shall have served or who shall hereafter have served in the employ of
3 such city continuously for a period of 1 year and shall become permanently
4 and totally disabled as the result of injury or illness not arising out of and
5 in the course of his employment, shall, upon his application and approval
6 thereof by the commissioners be retired on a pension equal to $2\frac{1}{2}\%$ of the
7 salary received by him at the time of his retirement; and for each additional
8 year of aggregate service, but not more than 20 years of service in the aggre-
9 gate, the amount of said pension shall be increased to the extent of $2\frac{1}{2}\%$ of
10 said salary for each year, not exceeding in any event 50% of said salary;
11 provided, however, that for each year of service over 30 years there shall be
12 an increase of disability pension of $2\frac{1}{2}\%$ of the salary received by the em-
13 ployee at the time of said retirement; provided, further, however, that no
14 such pension, regardless of service or disability, shall exceed $\frac{3}{4}$ of the an-
15 nual salary of said employee at the time of retirement; nor shall any such
16 pension be in excess of \$7,500.00 per annum. Upon and after the death of
17 such retired member or upon and after the death of any member who died as
18 a result of injury or illness not arising out of and in the course of his em-
19 ployment, the said pension or a pension based upon the services of said mem-
20 ber as the case may be, shall be paid to the surviving widow, so long as she
21 remains unmarried, surviving dependent widower, so long as he remains un-
22 married, minor children or dependent parent, as the case may be; provided,
23 however, that in no instance shall said pension exceed the sum of \$2,000.00 per
24 annum. Subject to the other provisions of this act, any city employee who
25 shall become permanently or totally disabled as a result of injury, accident
26 or sickness arising out of and in the course of his employment shall, upon his
27 application and approval thereof by the commission, be retired on a pension
28 equal to $\frac{1}{2}$ of the annual salary received by him at the time of his retire-
29 ment; provided, however, that in no instance shall the pension exceed \$7,500.00
30 per annum; and provided further, however, that where an employee has
31 served more than 30 years he shall be entitled to $2\frac{1}{2}\%$ of his annual salary
32 for each additional year of service over 30 years, but not exceeding 40 years,
33 and in no event shall such pension exceed \$7,500.00 annually.

1 20. Upon and after the death of such retired member or upon and after
2 the death of any member who dies as a result of any disability, injury or dis-
3 ease arising out of and in the course of his employment, the said pension or
4 a pension of $\frac{1}{2}$ of the said annual salary of such member shall be paid as here-
5 inafter provided to the surviving widow, so long as she remains unmarried;
6 surviving dependent widower, so long as he remains unmarried; minor chil-
7 dren or dependent parent, as the case may be, provided, however, that in no
8 instance shall the pension exceed \$2,000.00 per annum.

1 21. The commission shall have the power to determine whether or not
2 any member is permanently and totally disabled, and whether or not (a) dis-
3 ability or death of a member as a result of an injury, accident or sickness
4 arises out of and in the course of the member's employment or otherwise.
5 The claimant member shall have the right to present physician or physi-
6 cians, witnesses or other testimony in his behalf before the commission. The
7 chairman or other member of the commission may administer oaths to any
8 physicians or other persons called before the commission regarding the em-
9 ployee's disability or death. The commission shall decide by resolution
10 whether the applicant is entitled to the benefits of this act.

1 22. Once each year the commission may require any member retired for
2 disability, who is under the age of 60 years to undergo medical examination
3 by a physician or physicians designated by the commission. The examination
4 may be made at the residence of the pensioner or other place mutually
5 agreed upon. If the physician or physicians thereupon report and certify to
6 the commission that the pensioner is not permanently and totally incapaci-
7 tated, either physically or mentally, for the performance of the duties which
8 were performed by the pensioner before retirement on disability, then the
9 commission shall order said pensioner to be taken from the pension rolls and
10 restored to the position held by said pensioner before his or her retirement.

1 23. Subject to the other provisions of this act, upon the death of any
2 member who shall have served or who shall hereafter have served in the
3 employ of the city continuously for a period of at least 5 years, there shall be
4 paid to the surviving widow, so long as she remains unmarried; surviving

5 dependent widower, so long as he remains unmarried; minor children or de-
6 pendent parent, as the case may be, an amount equal to 2½% of the salary
7 received by such employee at the time of his death and 2½% of said yearly
8 salary for each additional year of service more than 1 year, but not exceeding
9 in any event 50% of said salary received at the time of death, and in no
10 instance shall such pension exceed \$2,000.00; provided, however, that wherever
11 the provisions of any of the 3 pension funds which have been merged into
12 the fund, provide for greater benefits for the present members thereof, their
13 widows, widowers, minor children or dependent parent, then and in that
14 event the said widow, widower, minor children or dependent parent shall be
15 entitled to said greater benefits as therein provided; and provided, further,
16 that after 5 years' membership in the retirement system, the pension pay-
17 ment to widow or widower shall not be less than \$1,000.00.

1 24. Subject to the other provisions of this act, upon and after the death
2 of any member pensioner or beneficiary the benefits herein provided for the
3 surviving widow, surviving dependent widower, minor children and dependent
4 parent shall be paid in the following manner of priority:

5 (1) To the surviving widow, so long as she remains unmarried, or to the
6 dependent widower, so long as he remains unmarried;

7 (2) If no widow or dependent widower, or upon the death of such widow
8 or dependent widower, then the pension shall be paid to the guardian of the
9 minor children, for the exclusive use of said children, in the following
10 amounts, \$50.00 per month for each minor child, provided further that in no
11 event shall the funds paid to minor children exceed in the aggregate the sum
12 of \$2,000.00 annually.

13 (3) In the event there be no surviving widow, dependent widower or
14 minor children, then the pension shall be paid to the dependent parent or
15 parents in equal shares.

1 25. In the case of an adopted child, adoption must have existed for a
2 period of at least 5 years from the date of adoption. Such benefit shall cease
3 when such child attains the age of 18 years. Payments to adopted children
4 shall be according to the table of pension benefits above set forth for minor
5 children.

1 26. The following provisions shall apply to all members of the retirement
2 system:

3 (a) No pension shall be paid to a minor child under the age of 18 years
4 of a female member unless the child is and continues to remain dependent
5 upon the income which the member was receiving at the time of her death.
6 The commission shall determine the question of the dependency of the sur-
7 viving dependent widower or said minor children.

8 (b) When a member of the retirement system dies leaving no benefi-
9 ary, him surviving as aforementioned, there shall be paid to his or her estate
10 ~~[\$500.00, or the total contribution deducted from the employee's salary,~~
11 ~~whichever is lesser.]~~ *a sum equivalent to 50% of his contribution to the re-*
11A *tirement system, without interest.*

12 (c) Where a husband and wife are each receiving a pension as a retired
13 employee from any retirement system supported wholly or in part by the city,
14 county or State, except as otherwise herein provided, then upon the death of
15 either the survivor shall elect to accept one or the other of the two pensions,
16 but in no case shall said survivor receive more than one pension at the same
17 time. If the deceased was a member of this retirement system, the surviving
18 widow or surviving dependent widower may continue to receive the pension
19 being paid to him by reason of his membership in any other pension system
20 or fund and in that event he shall be entitled to receive from this pension
21 fund a sum equal to 50% of the total contributions paid into this pension
22 fund by the said deceased husband or wife, as the case may be, less any
23 actuarial and pension benefits received by the deceased member.

24 (d) Any member or other beneficiary receiving a pension under the
25 provision of this act who shall be appointed to any position or office, and be
26 thus entitled to a salary which is paid from public funds, shall during such
27 employment, receive no payments or pension or other benefits under this act.

28 (e) Where any employee or other beneficiary is entitled to receive two
29 pensions under the provisions of this act, or under the provisions of this and
30 any other State act, such employees or other beneficiary shall elect to re-
31 ceive one or the other of the two pensions, and in no case shall receive more

32 than one pension; provided, however, that in any case where any city em-
33 ployee, at the time of the adoption of this act, is also employed by any county
34 and is a member of and contributing money out of his city salary to the city
35 employees' retirement system, in accordance with this act, and at the same
36 time is a member of and contributing money out of his county salary to any
37 county employees' retirement or pension system of such county, in accord-
38 ance with the statutes concerning such system, he shall be entitled, for him-
39 self and his beneficiaries, to such benefits of both the county and municipal
40 retirement or pension systems as such systems respectively provide.

41 (f) The rights of any employee or beneficiary to receive compensation
42 under the Workmen's Compensation Act of New Jersey shall not be affected
43 nor impaired by any of the provisions of this act.

44 (g) Where the service of an employee is terminated by reason of con-
45 viction of a crime involving moral turpitude, no pension under this act shall
46 be paid to any such employee; provided, however, that no member of this re-
47 tirement system who shall have served honorably as a city employee for a
48 period of 25 years and shall have attained the age of 60 years, or who has
49 served honorably as a city employee for a period of 30 years and has attained
50 the age of 55 years, shall be deprived of his pension privileges because of
51 any violation of the rules and regulations established for the government of
52 such city employees.

53 (h) Where any pension or other benefit shall be payable from the retire-
54 ment system herein provided to any retired employee or other beneficiary
55 who is or shall be confined in a penal institution as a result of conviction of
56 a crime involving moral turpitude, the pension commission may pay such
57 pension or any part of it or other benefit to the wife, husband, minor chil-
58 dren, mother or father of the confined person, if it determines the same is
59 necessary for their maintenance during such confinement.

60 (i) All payments of pension shall be made semimonthly, and payments
61 of pensions, refunds or other benefits of this act shall be made without in-
62 terest.

63 (j) The benefits of this act shall not extend to the widow or widower
64 of any city employee or of any pensioner who shall remarry or shall have mar-
65 ried such employee or pensioner after such employee or pensioner has retired
66 or attained the age of 55 years, nor to any children of such marriage.

1 27. A fund to pay pensions under this act shall be created and maintained
2 as follows:

3 (A) The financial officer of the city shall deduct from every payment of
4 salary (a) to any person who becomes a city employee after the enactment
5 of this act and who becomes a member of this retirement system, and pay into
6 the retirement system **[5%]** *not less than 5% or more than 7%,*
6A *as determined from time to time by the commission,* of the
6B amount of said salary, provided such employee was under 35
7 years of age at the time of his permanent appointment; pro-
8 vided, however, that any person entering the service of the municipality
9 and becoming a member of this retirement system after reaching the age of
10 35 years and any present city employee not now a member of any of the 3
11 funds which are being merged into this retirement system, and who qualifies
12 for membership under the provisions of this act and who was over 35 years
13 of age at the time he received his permanent appointment, shall contribute to
14 and there shall be deducted from his annual salary the following percent-
15 ages, depending upon the age of said employee at the time of his permanent
16 employment, *as shall be determined from time to time by the commission:*

17	AGE	PERCENTAGE OF DEDUCTIONS
18	Over 35 years and under 36 years.....	[5¼%] <i>not less than 5¼% or</i>
18A	<i>more than 7¼%</i>	
19	Over 36 years and under 37 years.....	[5½%] <i>not less than 5½% or</i>
19A	<i>more than 7½%</i>	
20	Over 37 years and under 38 years.....	[5¾%] <i>not less than 5¾% or</i>
20A	<i>more than 7¾%</i>	
21	Over 38 years and under 39 years.....	[6%] <i>not less than 6% or</i>
21A	<i>more than 8%</i>	
22	Over 39 years and under 40 years.....	[6¼%] <i>not less than 6¼% or</i>
22A	<i>more than 8¼%</i>	
23	Over 40 years and under 41 years.....	[6½%] <i>not less than 6½% or</i>
23A	<i>more than 8½%</i>	
24	Over 41 years and under 42 years.....	[6¾%] <i>not less than 6¾% or</i>
24A	<i>more than 8¾%</i>	
25	Over 42 years and under 43 years.....	[7%] <i>not less than 7% or</i>
25A	<i>more than 9%</i>	
26	Over 43 years and under 44 years.....	[7¼%] <i>not less than 7¼% or</i>
26A	<i>more than 9¼%</i>	
27	Over 44 years and under 45 years.....	[7½%] <i>not less than 7½% or</i>
27A	<i>more than 9½%</i>	
28	Over 45 years and up to 50 years.....	[8%] <i>not less than 8% or</i>
28A	<i>more than 10%</i>	
29	(b) to any employee who is, at the time of the enactment of this act a member	
30	of any of the 3 aforesaid pension funds that are being merged into this re-	
31	tirement system and who is now contributing less than 5% of his annual sal-	
32	ary, the sum of [5%] <i>not less than 5% or more than 7%, as shall be deter-</i>	
32A	<i>mined by the commission, of the amount of his annual salary shall be deducted;</i>	
33	(c) to any member of any of the 3 pension funds being merged into this retire-	
34	ment system who is now contributing more than 5% of his annual salary	
35	[1%] <i>not less than 1% or more than 3%, as shall be determined by the com-</i>	

36 mission, of his annual salary in addition to the amount now being deducted
36A from said annual salary. *The commission shall increase the rates of con-*
36B *tribution provided herein, to the maximum, likewise as provided herein,*
36C *whenever the retirement system created by this act shall have no assets*
36D *or be unable to meet its obligations in accordance with the provisions of this*
36E *act; provided, however, that no insufficiency of funds shall be made up by the*
36F *city until the commission shall have required deductions from employees*
36G *at the maximum rates set forth in subsection A of this section.*
36H Such deductions shall continue to be made during the entire period
36I of employment of the member and until the death or retirement of
37 said member; provided, however, that such deductions shall be continued for
38 a total period of at least 25 years, and in the event that death or retirement
39 occurs before the completion of the 25-year period, the aforesaid deductions
40 shall thereafter be continued to be made from the pension payments made
41 pursuant to this act for the said period of time. The period during which
42 any employee contributed to this retirement system, and any prior service
43 credits granted such employee and standing to his credit under the various
44 statutes referred to previously, shall be considered as part of the 25-year pe-
45 riod herein referred to; provided, however, where an employee is promoted
46 to a higher position in a temporary capacity, he shall continue to have de-
47 ducted from his salary the amount of deductions due the pension fund on his
48 permanent salary basis.

49 (B) The governing body of the city shall annually appropriate in the
50 city budget, raise by taxation, and contribute to the retirement system an
51 amount equal to the percentage of salary contributed by the members and
52 the pensioners of the said system. Such payment shall continue to be made
53 during the entire period of employment of each member and until the death
54 or retirement of each member; provided, however, that such payment shall
55 be continued in each case for a total period of at least 25 years, and in the
56 event that a member dies or retires before the completion of the 25-year
57 period, the said percentage shall thereafter continue to be made upon the

58 amount of pension payments resulting from such death or retirement until
59 the end of such 25-year period has been reached, provided, further, however,
60 the contribution of the city shall not continue beyond the time that the par-
61 ticular pension is paid or is being paid.

62 (C) All moneys given to or donated to the retirement system and all
63 earnings of this retirement system shall be deposited to the credit of the sys-
64 tem.

65 (D) All moneys required to meet the city contributions provided for
66 under this and all other sections of this act shall be appropriated annually in
67 the city budget by the governing body. If at any time there is not sufficient
68 money to meet the requirements of this system and pay the pensions or other
69 benefits provided for herein, the governing body shall, from time to time, in-
70 clude in any tax levy a sum sufficient to meet the said requirements and pay-
71 ments of the retirement system.

1 28. The commission shall estimate and certify annually to the governing
2 body a reasonable amount required to defray the administrative expenses
3 in this retirement system in the ensuing year, and the governing body shall
4 pay such amount to the commission as other expense funds of the city are
5 paid.

1 29. From and after the adoption of this act any employee who is or
2 becomes a member of this retirement system may not withdraw therefrom
3 and shall not be entitled to a refund of any of the moneys therefrom and
4 thereafter deducted from his salary hereunder; provided, however, that any
5 employee who is separated from the municipal service through discharge,
6 resignation, or for any reasons other than retirement, except as hereinafter
7 stated, shall be entitled to a refund of his contributions without interest less
8 any actuarial and pension benefits received. The obligation to refund
9 payments made to this retirement system shall not apply to an employee
10 suspended or discharged for causes which bar him from eligibility to reap-
11 pointment under civil service law and rules.

1 30. When a member of this retirement system is separated from serv-
2 ice or is absent on leave for a period in excess of 1 year, and said separation
3 or leave of absence is not otherwise specifically provided for by law, then
4 and in such event the commission may remove such member from the mem-
5 bership rolls of this system, whereupon the said member shall be entitled
6 to receive a refund of his contributions to the system in accordance with
7 section 29 of this act. Whenever a member of this retirement system be-
8 comes separated from the municipal service for any reason other than retire-
9 ment or entry into the Armed Forces and subsequently re-enters the serv-
10 ice of the municipality within 5 years after such separation, then all the
11 rights and benefits hereunder enjoyed by such member prior to such separa-
12 tion shall be restored to him upon payment of any refunds given to him at
13 the time of his separation from the service; provided, however, that such
14 member shall not be entitled to receive credit for pension purposes for the
15 time elapsing during such separation period. Such repayment of refunds
16 may be made either (1) in 1 sum or (2) by regular pay-roll deductions over
17 a period of not more than 5 years, but in no event to extend beyond the
18 date upon which such employee attains the age of 60 years, such install-
19 ments to be deducted in addition to the other deductions made from his sal-
20 ary for this retirement system.

1 31. Upon the adoption of this act, the transfer of membership from any
2 of the existing funds organized under the provisions of article 2, chapter
3 13, Title 43 of the Revised Statutes; and of chapter 18, Title 43 of the Re-
4 vised Statutes; and of chapter 19, Title 43 of the Revised Statutes to this
5 retirement system shall result in a contractual relationship with the city,
6 [the benefits of which shall not be diminished or impaired insofar as the pro-
7 visions of this system are concerned.] *and the benefits accruing under the*
8 *aforsaid statutes shall not be diminished or impaired; provided, however,*
9 *that nothing herein contained shall affect the rates of contributions herein-*
10 *before set forth for members and pensioners of this retirement system.*

1 32. The commission shall report annually the condition of the retire-
2 ment system and the manner in which its funds are invested. The report

3 shall be filed with the governing body of the municipality for the use of the
4 employees and the public. All systems created by this act and all pen-
5 sions, refunds and contributions granted under this act shall be exempt from
6 any State, county or municipal tax, levy and sale, garnishment, sequestra-
7 tion or attachment, or any other process, legal or equitable or both, and
8 shall not be assignable.

1 33. Any person who shall knowingly make any false statements or shall
2 falsify or permit to be falsified any record or records of this retirement sys-
3 tem in any attempt to defraud such system, shall be guilty of a misde-
4 meanor, and shall be punishable therefor under the laws of the State of
5 New Jersey. Should any change of the record or any mistake in the records
6 result in any member or beneficiary receiving from the retirement system
7 more or less than he or she would have been entitled to receive had the rec-
8 ords been correct, then, upon the discovery of any such error, the commission
9 shall correct such error and, so far as possible, shall adjust the payments
10 which may be made to or by such person in such a manner that the equiva-
11 lent of the benefit to which he or she was correctly entitled shall be made.

1 34. To provide for the solvency of this retirement system in addition
2 to and separate and distinct from any obligation heretofore placed upon the
3 city by any provision of this act the city shall raise by taxation and pay
4 into the retirement system yearly the sum of \$100,000.00 for a period of 20
5 years, said period to commence immediately upon the adoption of this act.

1 35. Any person who, after the enactment of this act becomes a perma-
2 nent employee of the city and becomes a member of this retirement system
3 and shall have served in the employ of the city in the aggregate for a period
4 of at least 25 years, and who shall have attained the age of 70 years, shall
5 be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at the time
6 of his retirement, and for each year of service beyond 30 years and up to
7 40 years, the retiring employee shall for each additional year of service re-
8 ceive an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the

9 time of his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$
10 of the annual salary received by the said employee, nor shall any pension
11 exceed the sum of \$7,500.00 per annum.

1 36. The commission shall be empowered to affiliate with similar State
2 and national organizations.

1 37. If for any reason any section or part of any section or any provi-
2 sions of this act shall be questioned in any court, and shall be held to be
3 unconstitutional or invalid, the same shall not be held to affect any other
4 section or part of any section or provisions of this act.

1 38. The commission may require all pensioners and beneficiaries to an-
2 nually file an affidavit or affidavits as to their status as pensioners or bene-
3 ficiaries.

1 39. Nothing in this act shall affect, modify or repeal any of the provi-
2 sions of chapter 119 of the laws of 1941 or of chapter 250 of the laws of 1948.

1 40. This act shall take effect immediately.

AMENDMENTS TO
ASSEMBLY, No. 252

STATE OF NEW JERSEY

ADOPTED NOVEMBER 15, 1954

Amend page 2, section 1, line 32, after the word "shall" insert ", subject to the provisions of section 13(a) of this act,".

Amend page 2, section 1, line 40, delete the first "and" and insert in lieu thereof "or"; delete the second "and" and insert in lieu thereof "or".

Amend page 2, section 1, line 45, delete the figure "50" and insert in lieu thereof "45"; at the end of the line, after the word "shall" insert ", subject to the provisions of section 13 of this act,".

Amend page 3, section 1, line 46, after the word "right" insert ", subject to section 13(b) of this act,".

Amend page 4, section 3, line 5, delete the last "the" and insert in lieu thereof "a".

Amend page 5, section 3, line 10, delete the period at the end of the line and insert "ending December 31 and the first such appointee shall serve until January 1 of the year following the year of his selection unless selected after January 1, 1955, in which event his term shall expire on December 31, 1955. Members of the commission designated by the mayor shall not hold office beyond the incumbency of the mayor. In case of a vacancy as to a member designated by the mayor, he shall designate a successor."

Amend page 5, section 3, line 33, delete the comma after the word "days".

Amend page 6, section 4, line 1, after the word "vacancy" insert "of an elected member".

Amend page 6, section 4, line 3, after the word "election" insert "and at said election a successor shall be elected to serve for the unexpired remainder of the term vacated".

Amend page 6, section 5, line 6, after the word "expenditures" insert "authorized by the commission".

Amend page 6, section 5, line 10, after the word "attorney" insert "and an actuary"; delete the word "his" and insert in lieu thereof "their".

Amend page 6, section 5, line 11, after "compensation." insert "The commission may engage such independent actuarial assistance as may be necessary to assist the actuary from time to time."

Amend page 7, section 7, line 5, after the first "of" insert "the retirement system under".

Amend page 7, section 9, line 1, after the first "to" insert "issue subpoenas to".

Amend page 7, section 9, line 7, after "witnesses." insert "Contempt of the commission may be punished by summary proceedings before a judge of the County Court."

Amend page 7, section 11, line 2, after the word "bonded" insert "in such amount as shall be determined by the commission,".

Amend page 8, section 12, lines 4 and 5, delete beginning with the word "or" on line 4 and through the word "State" on line 5 and insert in lieu thereof "of New Jersey, subdivisions, instrumentalities or agencies of the State of New Jersey or of any interstate agency of which the State of New Jersey is a member".

Amend page 8, section 13, line 3, delete the comma after the word "city".

Amend page 8, section 13, line 17, after the word "All" insert "present"; after the word "city," insert "as herein defined,"; delete ", at the time of the adoption of the act,".

Amend page 8, section 13, line 18, delete "as provided hereinbefore, were under 50" and insert in lieu thereof "were not more than 45".

Amend page 8, section 13, line 24, delete "(c)" and insert in lieu thereof "(1)".

Amend page 8, section 13, line 25, delete the word "this" and insert in lieu thereof "the".

Amend page 8, section 13, line 26, delete the word "this" and insert in lieu thereof "the".

Amend page 9, section 13, line 43, delete "(d)" and insert in lieu thereof "(2)".

Amend page 9, section 13, line 44, delete the word "this" and insert in lieu thereof "the".

Amend page 9, section 13, line 48, delete "(e)" and insert in lieu thereof "(c)".

Amend page 10, section 14, line 6, after the word "all" insert "of".

Amend page 10, section 14, line 8, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 10, section 14, line 11, delete the word "this" and insert in lieu thereof "the".

Amend page 10, section 16, lines 2, 3, 4, and 5, delete the semicolon after the word "act" on line 2 and the entire remainder of the sentence thereafter beginning with the word "provided" and through the word "statutes" on line 5.

Amend page 10, section 16, line 10, delete the semicolon.

Amend pages 10 and 11, section 16, lines 15, 16, 17, 18, 19 and 20, delete beginning with the word "provided" on line 15 and continuing through the word "notwithstanding." on line 20 and insert in lieu thereof "subject, however, to the provisions of section 31 of this act."

Amend page 12, section 19, line 24, insert the section number "20." prior to the words "Subject to" and set the same off as a new paragraph.

Amend page 12, section 19, line 25, delete ", accident".

Amend page 12, section 19, line 26, delete the word "sickness" and insert in lieu thereof "illness".

Amend page 13, section 20, line 1, delete the figure "20." and eliminate the paragraph break.

Amend page 13, section 20, line 2, delete "disability,".

Amend page 13; section 20, lines 2 and 3, delete "dis-" on line 2 and "ease" on line 3 and insert in lieu thereof "illness".

Amend page 13; section 21, line 2, delete "(a)" and insert in lieu thereof "the".

Amend page 13, section 21, line 3, delete ", accident" and "sickness" and insert in lieu of "sickness" the word "illness".

Amend page 15, section 26, line 9, delete the comma after "ary".

Amend page 15, section 26, line 17, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 15, section 26, line 20; delete the word "this" and insert in lieu thereof "the".

Amend page 15, section 26, line 21, after the word "fund" insert "created hereby"; delete the word "this" and insert in lieu thereof "said".

Amend page 15; section 26, line 23, after the word "member" insert ", as determined by the commission".

Amend page 16, section 26, line 52, after the word "employees" insert "not involving conviction of a crime involving moral turpitude as aforesaid".

Amend page 17; section 27, line 5, delete the second "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 17, section 27, line 9, delete the word "this" and insert in lieu thereof "said".

Amend page 17, section 27, line 11, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 18, section 27, lines 28 and 28A, delete in entirety lines 28 and 28A.

Amend page 18, section 27, line 30, delete the word "this" and insert in lieu thereof "the".

Amend page 18, section 27, line 31, after the word "system" insert "created hereby".

Amend page 18, section 27, line 33, delete the word "this" and insert in lieu thereof "the".

Amend page 18, section 27, line 34, after the word "system" insert "created hereby".

Amend page 19, section 27, lines 36A, 36B, 36C, 36D, 36E, 36F and 36G, delete the entirety of the sentence beginning with the words "The commission" on line 36A through the word "section." on line 36G.

Amend page 19, section 27, line 42, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 19, section 27, after line 48 insert a new subparagraph as follows:

"(B) To further provide for the solvency of the retirement system created hereby the commission shall, (1) whenever the assets of the fund reach a minimum of \$150,000.00 and (2) once prior to the end of the year 1956 and once during every third year thereafter, cause the actuary appointed by the commission to make an investigation into the conduct and operation of the retirement system and into the mortality, service and compensation experience of the members and beneficiaries of the retirement system and to make a valuation of the assets and liabilities of the system. The actuary shall report thereon to the commission. Based upon said report the commission shall (a) establish for the retirement system such mortality, service and other tables as shall be deemed necessary and (b) adjust and certify the rates of contribution to be paid by members of the retirement system and the city, within the minimum and maximum schedules set forth in this act, on the basis of the said investigation, valuation and report of the actuary, to the ends that, so far as possible, (1) the assets of the fund shall not decline below a minimum of \$150,000.00 and (2) the value of future contributions of members and the city, when taken with present assets, shall not be less than the value of prospective benefit payments based upon membership service to be rendered after the effective date of this act."

Amend page 19, section 27, line 49, delete "(B)" and insert in lieu thereof "(C)".

Amend page 20, section 27, line 62, delete "C" and insert in lieu thereof "(D)".

Amend page 20, section 27, line 65, delete "(D)" and insert in lieu thereof "(E)".

Amend page 20, section 27, line 71, after the word "system" insert ", provided, however, that no insufficiency of funds shall be made up by the city unless and until the commission shall have required deductions from employees at the maximum rates set forth in subsection (A) of this section".

Amend page 20, section 28, line 3, delete the word "this" and insert in lieu thereof "the".

Amend page 20, section 29, line 2, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

Amend page 20, section 29, line 8, insert at the beginning of the line "the value of".

Amend page 20, section 29, line 9, delete the word "this" and insert in lieu thereof "the".

Amend page 20, section 29, line 11, at the end of the line insert the following sentence "The commission is hereby empowered to determine the value of actuarial and pension benefits received by a member of the retirement system."

Amend page 21, section 30, line 1, delete the word "this" and insert in lieu thereof "the".

Amend page 21, section 30, line 5, delete the word "this" and insert in lieu thereof "the".

Amend page 21, section 30, line 7, delete the word "this" and insert in lieu thereof "the".

Amend page 21, section 30, line 20, delete the word "this" and insert in lieu thereof "the".

Amend page 21, section 31, line 4, delete the word "this" and insert in lieu thereof "the".

Amend page 21, section 31, line 5, after the word "system" insert "created hereby".

Amend page 21, section 31, line 7, after the word "and" insert "or"; after the word "benefits" insert "provided for"; delete the word "accruing".

Amend page 21, section 31, line 9, delete the first "herein" and insert in lieu thereof "in this section"; after the word "contributions" insert "and the provisions governing refund of contribution".

Amend page 21, section 31, line 10, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby, including those members of the aforesaid pension funds who are transferred to the retirement system created hereby".

Amend page 22, section 33, line 2, delete the word "this" and insert in lieu thereof "the".

Amend page 22, section 34, line 1, delete the word "this" and insert in lieu thereof "the".

Amend page 22, section 35, line 1, insert a comma after the word "act".

Amend page 23, section 38, line 1, delete the word "to".

Amend page 23, section 38, line 2, after "nually" insert "and at such other times as it may be deemed necessary to".

[SECOND OFFICIAL COPY REPRINT]

ASSEMBLY, No. 252

STATE OF NEW JERSEY

INTRODUCED MARCH 22, 1954

By Mr. DEL TUFO

Referred to Committee on State, County and Municipal Government

AN ACT to provide for the creation, setting apart, maintenance and administration of a city employees' retirement system in cities of the first class having, at the time of the enactment of this act, a population in excess of 400,000 inhabitants; and merging and superseding the provisions of pension funds established pursuant to article 2 of chapter 13, chapters 18 and 19, of Title 43 of the Revised Statutes, in said cities.

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

1 I. As used in this act:

2 "Service" shall always, unless otherwise stated, be considered as in the
3 aggregate.

4 "Salary" or "compensation," when used solely for the purpose of fix-
5 ing benefits under this act, means annual salary or compensation earned by
6 a member as a permanent employee at the time of his death or retirement;
7 provided, however, that \$10,000.00 shall be the maximum amount of the an-
8 nual salary of any member which shall be considered for any purpose under
9 this act; provided further, however, that as to any employee who, at the
10 time of the adoption of this act, is a member of any retirement system in
11 operation in the city under and by virtue of article 2, chapter 13, Title 43 of
12 the Revised Statutes; and of chapter 18, Title 43 of the Revised Statutes; and
13 of chapter 19, Title 43 of the Revised Statutes, the total annual salary re-

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

14 ceived by such member as a permanent employee at the time of his death
15 or retirement shall be considered for pension or other purposes under this
16 act, except as otherwise provided herein.

17 "Pension fund" or "fund" means the fund referred to in section 2 of
18 this act, and is the fund from which pensions and other benefits provided
19 for in this act shall be paid.

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

21 "City," unless otherwise specified, means any city of the first class of
22 the State of New Jersey having, at the time of the enactment of this act, a
23 population in excess of 400,000 inhabitants.

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

25 "City employee" or "employee" means and includes all permanent em-
26 ployees as defined by Title 11 of the Revised Statutes of New Jersey (Civil
27 Service Law) in service in any city of the first class of this State, as here-
28 inabove defined; and shall mean and include all permanent employees of any
29 city board, body or commission maintained out of city funds in such city.
30 Notwithstanding the provisions of any other statute of this State, any per-
31 son under 45 years of age hereafter accepting permanent employment in the
32 city (excepting uniformed policemen or firemen) shall, *subject to the provi-*
33 *sions of section 13 (a) of this act*, become a member of the pension fund pro-
34 vided by this act as a "city employee" or "employee" as hereinabove
35 defined; and except as herein otherwise provided, any such person of the
36 age of 45 years or over shall be ineligible to become a member; provided,
37 however, that any employee who, at the time of the adoption of this act, is a
38 member of any retirement system in operation in such city under and by
39 virtue of article 2, chapter 13, Title 43 of the Revised Statutes; [and] or of
40 chapter 18, Title 43 of the Revised Statutes; [and] or of chapter 19, Title 43
41 of the Revised Statutes, shall not be barred from membership in this
42 retirement system on account of age of any such employee.

43 Notwithstanding the provisions of chapter 1, Title 43 of the Revised
44 Statutes, any present employee of the city as herein defined, who was not

45 more than [50] 45 years of age at the time of his permanent appointment,
46 shall, *subject to the provisions of section 13 of this act*, have the right, *subject*
47 *to section 13 (b) of this act*, to become a member of the retirement system
48 established by this act, by declaring his intention in writing so to do, within 2
48A months after the formation of the commission created by this act.

49 All such applicants shall submit to and pass a physical examination
50 as required by the commission, and shall pay into the retirement system all
51 arrears of dues and assessments determined by the commission, with inter-
52 est thereon at 3%, in order to receive credit for said prior service as an em-
53 ployee, for the purposes of this act. The maximum length of time to be
54 afforded any such employee for payment of said arrears and interest thereon
55 shall be 5 years from the date of membership in said system.

56 "Widow" or "widower" means the surviving spouse of a city employee
57 married to such employee for a period of at least 5 years prior to the retire-
58 ment or death of such employee, except as otherwise provided herein, and
59 said marriage having occurred prior to the time when such employee reached
60 the age of 55 years, except that where death results from and as a result
61 of an accident or injury sustained in the line of duty, the widow or widower
62 shall be entitled to the benefits hereinafter set forth, even though the mar-
63 riage has not been in existence for a period of 5 years; provided, however,
64 that no pension shall be paid to the surviving husband of a deceased em-
65 ployee unless he shall be and shall continue to remain dependent upon the
66 income which such employee was receiving at the time of her death, or unless
67 he shall be and shall continue to remain physically or mentally incapable
68 of pursuing a gainful occupation. No pension shall be paid to any minor
69 child or dependent parent of such female employee unless such minor child
70 or dependent parent shall be and shall continue to remain dependent upon
71 the income which such employee was receiving at the time of her death. The
72 pension commission shall determine the question of the dependency of the
73 surviving husband, minor child or dependent parent, as well as the ability
74 of the surviving husband to pursue some gainful occupation.

75 "Minor child" means a child under the age of 18 years, whose father
 76 or mother was married to the employee-member for a period of at least 5
 77 years prior to the retirement of said employee, and the said marriage hav-
 78 ing occurred prior to the time such employee arrived at the age of 55 years.

79 "Dependent parent" shall mean a dependent parent or parents who is
 80 or are solely dependent for support upon the employee-member.

81 "Commission" shall mean Pension Commission.

82 "Commissioners" shall mean Pension Commissioners, unless otherwise
 83 specified.

84 "Permanent" and "total" disability means physical or mental inca-
 85 pacity of an employee, as determined by the commission, and which would
 86 make the employee unable to perform the duties of his position or office.

87 "Employees' Retirement System of (name of city)" shall be the name of
 88 the retirement system provided under the provisions of this act. By that
 89 name all of its business shall be transacted, its funds invested, warrants for
 90 money drawn and payments made, and all of its cash and securities and
 91 other property held.

1 2. In each city, as defined by this act, an employees' retirement system
 2 shall be and is hereby created, set apart, maintained and administered in
 3 the manner prescribed in this act, for the benefit of employees of such city,
 4 and the widows, widowers, children and dependent parents of such em-
 5 ployees; and also of all contributors to, participants in and beneficiaries of
 6 any pension fund in operation in such city, at the time this act shall become
 7 effective, under and by virtue of article 2, chapter 13, Title 43 of the Revised
 8 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter
 9 19, Title 43 of the Revised Statutes.

1 3. There is hereby authorized to carry out the provisions of this act,
 2 and charged with the duty of administering the retirement system provided
 3 for herein, a pension commission composed of 7 members, consisting of, the
 4 mayor of said city; [2] 1 other [members] member of the governing body
 5 of said city, to be designated by the mayor, [1 of whom shall be] [the] a

6 financial officer of the city *to be designated by the mayor*; 3 city employees
7 who are members of the retirement system created by this act; and, 1 resident
8 of the city who is not the holder of any public office or position.

9 The resident of the city shall be selected by a majority vote of the other
10 6 members of the commission to serve for a period of 1 year **[.]** *ending De-*
10A *cember 31 and the first such appointee shall serve until January 1 of the year*
10B *following the year of his selection unless selected after January 1, 1955, in*
10C *which event his term shall expire on December 31, 1955. Members of the*
10D *commission designated by the mayor shall not hold office beyond the incum-*
10E *bency of the mayor. In case of a vacancy as to a member designated by the*
10F *mayor, he shall designate a successor.*

11 The 3 city employee members of the commission shall, for the purposes
12 of the first election hereunder, be elected within 60 days after the adoption
13 of this act, in the manner following:

14 Each of the 3 pension funds existing in the city at the time of the adop-
15 tion of this act shall elect 1 of its members to the commission for a term to
16 commence immediately following his election and to end January 1 of the
17 second year following the year of adoption of this act.

18 The said elections shall be held at a meeting called for the purpose, after
19 30 days' written notice of the time and place thereof has been given by the
20 mayor (or other city officer designated by him) to all such employee members
21 of said pension funds. Nominations shall be made by written petition only,
22 filed with the mayor at least 15 days prior to such elections, and each peti-
23 tion shall contain at least 50 signatures of members of the said pension funds
24 entitled to participate therein.

25 The first election after the passage of this act shall be conducted by the
26 mayor of said city or by a committee designated by him.

27 All elections of the city employee members of the Pension Commission
28 held subsequent to the first election shall be in the manner following, except
29 as herein provided:

30 The elections shall be held at a meeting of the members of the retire-
31 ment system on the third Tuesday of December of each year, except as here-
32 inbefore provided as to the terms of office of the first city employee members
33 of the commission, after 30 days [.] written notice of the time and place
34 thereof has been given by the mayor (or other city officer designated by him).
35 to all members of the system. Nominations shall be by written petition only,
36 filed with the secretary of the commission at least 15 days prior to such elec-
37 tion, and each petition shall contain at least 50 signatures of members of the
38 retirement system.

39 The member receiving the highest number of votes cast shall be elected
40 to serve a term of 3 years, commencing January 1 of the year following the
41 election; and the member receiving the next highest number of votes cast
42 shall be elected to serve a term of 2 years, commencing January 1 of the
43 year following the election; and the member receiving the third highest num-
44 ber of votes cast shall be elected to serve for a term of 1 year, commencing
45 January 1 of the year following the election.

46 Thereafter, on the third Tuesday of December of each succeeding year, 1
47 member shall be elected to the commission for the term of 3 years, com-
48 mencing January 1 of the year following the election.

49 The pension commission, or a committee designated by the commission,
50 shall conduct all elections held pursuant to these provisions.

1 4. In case of vacancy of *an elected member* for any cause, the commission
2 shall, by a majority vote, appoint a person possessed of the same qualifica-
3 tions to fill such vacancy until the next election *and at said election a successor*
4 *shall be elected to serve for the unexpired remainder of the term vacated.*
5 Any member of the commission, excepting the citizen member, who shall
6 leave the service of the city shall automatically cease to be a member of said
7 commission.

1 5. The commission shall hold its annual meeting in the month of Janu-
2 ary in each year and elect its chairman and such other officers as it deems ad-
3 visable. The chairman shall be chosen from among the employee members
4 of the commission. The commission shall fix the compensation of all ap-

5 pointees, and shall serve without compensation but shall be reimbursed for
6 any necessary expenditures *authorized by the commission*; and the employee
7 members shall suffer no loss of salary or other wages through service for or
8 on the commission. The commission shall secure the services of such phy-
9 sician or physicians as shall be necessary to make the medical examinations
10 required by this act. The commission shall appoint an attorney *and an ac-*
11 *tuary* for the said commission and shall fix [his] *their* compensation. *The*
12 *commission may engage such independent actuarial assistance as may be*
13 *necessary to assist the actuary from time to time.*

1 6. The first secretary and treasurer appointed shall be bona fide civil
2 service employees and members of 1 of the 3 funds consolidated by the pro-
3 visions of this act. Their successors and any other employee necessary to
4 carry out the provisions of this act shall be employed in accordance with
5 Title 11 of the Revised Statutes (Civil Service Law); all of whom shall be
6 construed as city employees for any purpose whatsoever and eligible within
7 the fund.

1 7. The commission shall have control and management of the funds and
2 of the retirement of employees who are members of the fund. The commis-
3 sion shall, from time to time, subject to the limitations of this act, establish
4 rules and regulations for the transaction of its business and the administra-
5 tion of *the retirement system under* this act. Under the direction of the com-
6 mission, the head of each city department shall furnish such information and
7 shall keep such records as the commission may require for the discharge of
8 its duties.

1 8. The commission may require each employee of the city to file a state-
2 ment or statements, in such form as said commission shall direct, concern-
3 ing his service or other matters covered by this act.

1 9. The commission shall have the power to *issue subpoenas* to compel
2 witnesses to attend and testify before it upon any matter concerning the re-
3 tirement system and allow fees not in excess of \$3.00 to any such witness for
4 such attendance upon any 1 day; provided, however, that any city employee

5 called as a witness shall not be paid any witness fee but shall not suffer the
6 loss of any salary. The chairman and other members of said commission
7 are empowered to administer oaths to such witnesses. *Contempt of the com-*
8 *mission may be punished by summary proceedings before a judge of the*
9 *county court.* All retirements shall be made and pensions allowed by the
10 commission in accordance with the provisions of this act and the rules and
11 regulations of the commission.

1 10. The commission shall be known as the "pension commission of the
2 employees' retirement system of (name of city)."

1 11. All moneys, the property of the retirement system, shall be received
2 and paid to the treasurer of the retirement system who shall be bonded
3 *in such amount as shall be determined by the commission*, such bonds to be
4 paid for by the system. All moneys paid by the retirement system shall be
5 paid by the treasurer of the fund by check, signed by the treasurer and
6 countersigned by the chairman of the commission, after approval at a meet-
7 ing of the commission.

1 12. The commission shall deposit the funds of the system in any deposi-
2 tories lawful for the deposit of municipal funds. All moneys not needed
3 for immediate purposes may be invested by the commission in interest-
4 bearing bonds of the United States Government, State [or bi-State agen-
5 cies, bureaus or subdivisions in this State] *of New Jersey, subdivisions, in-*
6 *strumentalities or agencies of the State of New Jersey or of any interstate*
7 *agency of which the State of New Jersey is a member.*

1 13. The members and conditions of membership in the retirement sys-
2 tem created by this act shall be as follows:

3 (a) All persons who shall hereafter become employees of the city[,] prior
4 to attaining the age of 45 years, shall, upon satisfactory completion of 3
5 months' service, become members of the retirement system herein created,
6 as a condition of their employment; provided that all such persons shall
7 submit to and pass the physical and mental examination required by the
8 commission and shall furnish such evidence of good health, at said time,

9 as the commission shall require; provided further, however, that the fail-
10 ure to pass the said physical and mental examination or failure to furnish
11 satisfactory evidence of good health at such time shall not deprive the em-
12 ployee of his employment.

13 The failure of any employee-member to comply with the rules and reg-
14 ulations prescribed by the commission, pursuant to this act, shall result in
15 the suspension or termination of membership in, or benefits of, this retire-
16 ment system as may be provided from time to time by the commission.

17 (b) All *present* employees of the city, *as herein defined*, who [, at the time
18 of the adoption of the act, as provided hereinbefore, were under 50] *were*
19 *not more than 45* years of age at the time of their permanent appointment
20 and are found physically and mentally fit, and are not members of any re-
21 tirement system supported wholly or in part by the city, may become mem-
22 bers of the retirement system created by this act, upon written application
23 made to the commission within 2 months after the establishment of the com-
24 mission, under 1 of the following 2 plans:

25 [(c)] (1) To receive credit for all the time served as a permanent em-
26 ployee with the city prior to joining [this] *the* retirement system. Such em-
27 ployee shall pay into [this] *the* fund a sum of money equal to an amount based
28 upon the percentage hereinafter stated that would have been deducted from
29 his salary from June 1, 1928, or from the date of his permanent employment,
29A whichever is the lesser period; provided, however, that if the employee de-
30 sires to receive credit for only a portion of the time served as a permanent em-
31 ployee he shall make payments accordingly and shall receive credit for
32 that portion of the said prior service as is covered by these payments.
33 Said sum of money may be paid in one lump sum or by regular pay-roll
34 period deductions from the salary, together with the regular deductions
35 provided by this act, until completed; and the financial officer of the city is
36 authorized to deduct the said amounts from the salary of said employee.
37 Upon such payment or payments being made, the city shall annually pay
38 into the retirement system, herein provided for, a sum of money equal in

39 amount to the employee's principal payment. All payments aforesaid by
40 the employee shall be made together with 3% interest thereon. The maxi-
41 mum length of time for the payment of all arrears and interest shall be
42 5 years from the date of membership in the fund.

43 [(d)] (2) By regular deductions from the salary of any employee elect-
44 ing to become a member of [this] *the* fund, without the benefit of prior serv-
45 ice, if any, and credit therefor hereunder. Said deductions shall commence
46 upon membership in the fund; and such employee shall not receive credit for
47 any prior services rendered theretofore in his municipal office or position.

48 [(e)] (c) All employees who at the time of the adoption and approval of
49 this act are members of any of the following retirement systems in effect in
50 said city, under and by virtue of article 2, chapter 13, Title 43 of the Revised
51 Statutes; and of chapter 18, Title 43 of the Revised Statutes; and of chap-
52 ter 19, Title 43 of the Revised Statutes, shall, upon the effective date of
53 this act, automatically become members of the city employees' retirement
54 system provided for by this act; and every such employee shall be deemed
55 to agree and consent to such transfer of his membership.

1 14. All employee members of the existing pension funds aforesaid, who
2 become members of the city employees' retirement system provided by this
3 act, shall be given credit for pension purposes hereunder and for all serv-
4 ices rendered to the city prior to the effective date of this act; provided,
5 however, that in case any such employee had heretofore agreed, under the
6 provisions of the 3 statutes aforesaid, to pay for any part or all of such serv-
7 ices rendered to the city prior to the effective date of this act, then the transfer
8 of such employees' membership into [this] *the* retirement system *created*
9 *hereby* shall include the transfer to this system of all the conditions and ob-
10 ligations of such prior agreement, not inconsistent with this act, made by
11 such employee; and such employee shall be deemed to agree and consent to
12 the transfer to [this] *the* system of such conditions and obligations until
13 the said conditions and the provisions of this act have been fully complied
14 with.

1 15. It is the intention of this act that the retirement system herein pro-
2 vided for shall, on and after the effective date of this act, and thereafter,
3 supersede and take the place of any pension fund then existing in the said
4 city pursuant to article 2, chapter 13, Title 43 of the Revised Statutes [;] and
5 [of] chapter 18, Title 43 of the Revised Statutes [;] and [of] chapter 19,
6 Title 43 of the Revised Statutes, *except as otherwise provided in this act.*

1 16. All of the aforesaid pension funds shall be and are hereby merged
2 into and become part of the retirement system created by this act[; provided,
3 however, that until this act becomes effective all of the aforesaid 3 existing
4 city retirement and pension systems shall be administered in accordance with
5 the provisions of the respective statutes.] All moneys, securities and other
6 assets of such other aforesaid pension funds and retirement systems shall be
7 transferred when this act becomes effective by the trustees of such systems
8 to the pension commission of the employees' retirement system of (name
9 of city), created by this act; which pension commission is hereby empowered
10 to receive the said funds and assets[;] for and on behalf of the employees'
11 retirement system herein provided for; and the said retirement and pension
12 funds created by virtue of article 2, chapter 13, Title 43 of the Revised Stat-
13 utes; and of chapter 18, Title 43 of the Revised Statutes; and of chapter 19,
14 Title 43 of the Revised Statutes shall then cease to exist as separate retire-
15 ment and pension systems in said city; [provided, however, nothing herein
16 contained shall deprive any member of the aforesaid pension and retirement
17 funds of any benefits provided for, under and by virtue of the provisions of
18 the said retirement and pension funds; and for these purposes the provisions
19 of those statutes shall continue in full force and effect, anything herein to the
20 contrary notwithstanding.] *subject, however, to the provisions of section 31*
20A *of this act.*

21 All pensions and other benefits allowed prior to the effective date of this
21A act, under the statutes hereinabove specified governing such other pension
22 funds shall thereafter be paid from the retirement system herein created
23 and according to the provisions of the statutes governing such other retire-

24 ment systems, except as herein otherwise provided. It is intended that all ex-
25 isting obligations of said retirement and pension systems as of the date of
26 transfer as aforesaid, are assumed and shall be discharged by the retirement
27 system herein created.

1 17. Subject to the other provisions of this act, any employee member
2 who shall have served or who shall hereafter have served in the employ of
3 such city in the aggregate for a period of 30 years and who shall have at-
4 tained the age of 55 years, or who shall have served in the aggregate for a
5 period of 25 years and have attained the age of 60 years, shall, upon his ap-
6 plication, be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at
7 the time of his retirement, and for each year of service beyond 30 years and
8 up to 40 years the retiring employee shall, for each additional year, receive
9 an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the time of
10 his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$ of the an-
11 nual salary received by the said employee member, nor shall any pension
12 exceed the sum of \$7,500.00 per annum.

1 18. Subject to the other provisions of this act, upon and after the death
2 of such employee or pensioner, said retirement pension shall be paid to the
3 surviving widow, so long as she remains unmarried; surviving dependent
4 widower, as herein defined, so long as he remains unmarried; minor children
5 or dependent parents, as the case may be; provided, however, that in no in-
6 stance shall a pension payment to such widow, dependent widower, minor
7 children or dependent parent exceed \$2,000.00 per annum.

1 19. Subject to the other provisions of this act, any member employee
2 who shall have served or who shall hereafter have served in the employ of
3 such city continuously for a period of 1 year and shall become permanently
4 and totally disabled as the result of injury or illness not arising out of and
5 in the course of his employment, shall, upon his application and approval
6 thereof by the commissioners be retired on a pension equal to $2\frac{1}{2}\%$ of the
7 salary received by him at the time of his retirement; and for each additional
8 year of aggregate service, but not more than 20 years of service in the aggre-

9 gate, the amount of said pension shall be increased to the extent of 2½% of
10 said salary for each year, not exceeding in any event 50% of said salary;
11 provided, however, that for each year of service over 30 years there shall be
12 an increase of disability pension of 2½% of the salary received by the em-
13 ployee at the time of said retirement; provided, further, however, that no
14 such pension, regardless of service or disability, shall exceed ¾ of the an-
15 nual salary of said employee at the time of retirement; nor shall any such
16 pension be in excess of \$7,500.00 per annum. Upon and after the death of
17 such retired member or upon and after the death of any member who died as
18 a result of injury or illness not arising out of and in the course of his em-
19 ployment, the said pension or a pension based upon the services of said mem-
20 ber as the case may be, shall be paid to the surviving widow, so long as she
21 remains unmarried, surviving dependent widower, so long as he remains un-
22 married, minor children or dependent parent, as the case may be; provided,
23 however, that in no instance shall said pension exceed the sum of \$2,000.00 per
24 annum.

1 20. Subject to the other provisions of this act, any city employee who
2 shall become permanently or totally disabled as a result of injury [, accident]
3 or [sickness] *illness* arising out of and in the course of his employment shall,
4 upon his application and approval thereof by the commission, be retired on
5 a pension equal to ½ of the annual salary received by him at the time of his
6 retirement; provided, however, that in no instance shall the pension exceed
7 \$7,500.00 per annum; and provided further, however, that where an em-
8 ployee has served more than 30 years he shall be entitled to 2½% of his
9 annual salary for each additional year of service over 30 years, but not ex-
10 ceeding 40 years, and in no event shall such pension exceed \$7,500.00 annually.
11 [20.] Upon and after the death of such retired member or upon and after
12 the death of any member who dies as a result of any [disability,] injury
13 or [disease] *illness* arising out of and in the course of his employment, the
14 said pension or a pension of ½ of the said annual salary of such member
15 shall be paid as hereinafter provided to the surviving widow, so long as she

16 remains unmarried; surviving dependent widower, so long as he remains
17 unmarried; minor children or dependent parent, as the case may be, provided,
18 however, that in no instance shall the pension exceed \$2,000.00 per annum.

1 21. The commission shall have the power to determine whether or not
2 any member is permanently and totally disabled, and whether or not [(a)]
3 the disability or death of a member as a result of an injury [, accident] or
4 [sickness] illness arises out of and in the course of the member's employ-
5 ment or otherwise. The claimant member shall have the right to present
6 physician or physicians, witnesses or other testimony in his behalf before
7 the commission. The chairman or other member of the commission may
8 administer oaths to any physicians or other persons called before the com-
9 mission regarding the employee's disability or death. The commission shall
10 decide by resolution whether the applicant is entitled to the benefits of this act.

1 22. Once each year the commission may require any member retired for
2 disability, who is under the age of 60 years to undergo medical examination
3 by a physician or physicians designated by the commission. The examination
4 may be made at the residence of the pensioner or other place mutually
5 agreed upon. If the physician or physicians thereupon report and certify to
6 the commission that the pensioner is not permanently and totally incapaci-
7 tated, either physically or mentally, for the performance of the duties which
8 were performed by the pensioner before retirement on disability, then the
9 commission shall order said pensioner to be taken from the pension rolls and
10 restored to the position held by said pensioner before his or her retirement.

1 23. Subject to the other provisions of this act, upon the death of any
2 member who shall have served or who shall hereafter have served in the
3 employ of the city continuously for a period of at least 5 years, there shall be
4 paid to the surviving widow, so long as she remains unmarried; surviving
5 dependent widower, so long as he remains unmarried; minor children or de-
6 pendent parent, as the case may be, an amount equal to $2\frac{1}{2}\%$ of the salary
7 received by such employee at the time of his death and $2\frac{1}{2}\%$ of said yearly
8 salary for each additional year of service more than 1 year, but not exceeding

9 in any event 50% of said salary received at the time of death, and in no
10 instance shall such pension exceed \$2,000.00; provided, however, that wherever
11 the provisions of any of the 3 pension funds which have been merged into
12 the fund, provide for greater benefits for the present members thereof, their
13 widows, widowers, minor children or dependent parent, then and in that
14 event the said widow, widower, minor children or dependent parent shall be
15 entitled to said greater benefits as therein provided; and provided, further,
16 that after 5 years' membership in the retirement system, the pension pay-
17 ment to widow or widower shall not be less than \$1,000.00.

1 24. Subject to the other provisions of this act, upon and after the death
2 of any member pensioner or beneficiary the benefits herein provided for the
3 surviving widow, surviving dependent widower, minor children and dependent
4 parent shall be paid in the following manner of priority:

5 (1) To the surviving widow, so long as she remains unmarried, or to the
6 dependent widower, so long as he remains unmarried;

7 (2) If no widow or dependent widower, or upon the death of such widow
8 or dependent widower, then the pension shall be paid to the guardian of the
9 minor children, for the exclusive use of said children, in the following
10 amounts, \$50.00 per month for each minor child, provided further that in no
11 event shall the funds paid to minor children exceed in the aggregate the sum
12 of \$2,000.00 annually.

13 (3) In the event there be no surviving widow, dependent widower or
14 minor children, then the pension shall be paid to the dependent parent or
15 parents in equal shares.

1 25. In the case of an adopted child, adoption must have existed for a
2 period of at least 5 years from the date of adoption. Such benefit shall cease
3 when such child attains the age of 18 years. Payments to adopted children
4 shall be according to the table of pension benefits above set forth for minor
5 children.

1 26. The following provisions shall apply to all members of the retirement
2 system:

3 (a) No pension shall be paid to a minor child under the age of 18 years
4 of a female member unless the child is and continues to remain dependent
5 upon the income which the member was receiving at the time of her death.
6 The commission shall determine the question of the dependency of the sur-
7 viving dependent widower or said minor children.

8 (b) When a member of the retirement system dies leaving no benefici-
9 ary [,] him surviving as aforementioned, there shall be paid to his or her
10 estate [\$500.00, or the total contribution deducted from the employee's salary,
11 whichever is lesser.] *a sum equivalent to 50% of his contribution to the re-*
11A *tirement system, without interest.*

12 (c) Where a husband and wife are each receiving a pension as a retired
13 employee from any retirement system supported wholly or in part by the city,
14 county or State, except as otherwise herein provided, then upon the death of
15 either the survivor shall elect to accept one or the other of the two pensions,
16 but in no case shall said survivor receive more than one pension at the same
17 time. If the deceased was a member of [this] *the retirement system created*
18 *hereby*, the surviving widow or surviving dependent widower may continue
19 to receive the pension being paid to him by reason of his membership in any
20 other pension system or fund and in that event he shall be entitled to re-
21 ceive from [this] *the pension fund created hereby* a sum equal to 50% of the
22 total contributions paid into [this] *the pension fund* by the said deceased hus-
23 band or wife, as the case may be, less any actuarial and pension benefits re-
23A ceived by the deceased member, *as determined by the commission.*

24 (d) Any member or other beneficiary receiving a pension under the
25 provision of this act who shall be appointed to any position or office, and be
26 thus entitled to a salary which is paid from public funds, shall during such
27 employment, receive no payments or pension or other benefits under this act.

28 (e) Where any employee or other beneficiary is entitled to receive two
29 pensions under the provisions of this act, or under the provisions of this and
30 any other State act, such employees or other beneficiary shall elect to re-
31 ceive one or the other of the two pensions, and in no case shall receive more

32 than one pension; provided, however, that in any case where any city em-
33 ployee, at the time of the adoption of this act, is also employed by any county
34 and is a member of and contributing money out of his city salary to the city
35 employees' retirement system, in accordance with this act, and at the same
36 time is a member of and contributing money out of his county salary to any
37 county employees' retirement or pension system of such county, in accord-
38 ance with the statutes concerning such system, he shall be entitled, for him-
39 self and his beneficiaries, to such benefits of both the county and municipal
40 retirement or pension systems as such systems respectively provide.

41 (f) The rights of any employee or beneficiary to receive compensation
42 under the Workmen's Compensation Act of New Jersey shall not be affected
43 nor impaired by any of the provisions of this act.

44 (g) Where the service of an employee is terminated by reason of con-
45 viction of a crime involving moral turpitude, no pension under this act shall
46 be paid to any such employee; provided, however, that no member of this re-
47 tirement system who shall have served honorably as a city employee for a
48 period of 25 years and shall have attained the age of 60 years, or who has
49 served honorably as a city employee for a period of 30 years and has attained
50 the age of 55 years, shall be deprived of his pension privileges because of
51 any violation of the rules and regulations established for the government of
52 such city employees *not involving conviction of a crime involving moral tur-*
52A *pitide as aforesaid.*

53 (h) Where any pension or other benefit shall be payable from the retire-
54 ment system herein provided to any retired employee or other beneficiary
55 who is or shall be confined in a penal institution as a result of conviction of
56 a crime involving moral turpitude, the pension commission may pay such
57 pension or any part of it or other benefit to the wife, husband, minor chil-
58 dren, mother or father of the confined person, if it determines the same is
59 necessary for their maintenance during such confinement.

60 (i) All payments of pension shall be made semimonthly, and payments
61 of pensions, refunds or other benefits of this act shall be made without in-
62 terest.

63 (j) The benefits of this act shall not extend to the widow or widower
 64 of any city employee or of any pensioner who shall remarry or shall have mar-
 65 ried such employee or pensioner after such employee or pensioner has retired
 66 or attained the age of 55 years, nor to any children of such marriage.

1 27. A fund to pay pensions under this act shall be created and maintained
 2 as follows:

3 (A) The financial officer of the city shall deduct from every payment of
 4 salary (a) to any person who becomes a city employee after the enactment
 5 of this act and who becomes a member of ~~[this]~~ *the retirement system cre-*
 6 *ated hereby*, and pay into the retirement system ~~[5%]~~ *not less than 5% or*
 7 *more than 7%, as determined from time to time by the commission*, of the
 8 amount of said salary, provided such employee was under 35 years of age
 9 at the time of his permanent appointment; provided, however, that any per-
 10 son entering the service of the municipality and becoming a member of
 11 ~~[this]~~ *said* retirement system after reaching the age of 35 years and any
 12 present city employee not now a member of any of the 3 funds which are
 13 being merged into ~~[this]~~ *the retirement system created hereby*, and who
 14 qualifies for membership under the provisions of this act and who was over
 15 35 years of age at the time he received his permanent appointment, shall con-
 16 tribute to and there shall be deducted from his annual salary the following
 16A percentages, depending upon the age of said employee at the time of his per-
 16B manent employment, *as shall be determined from time to time by the com-*
 16C *mission*:

17	AGE	PERCENTAGE OF DEDUCTIONS
18	Over 35 years and under 36 years.....	[5¼%] not less than 5¼% or
18A	more than 7¼%	
19	Over 36 years and under 37 years.....	[5½%] not less than 5½% or
19A	more than 7½%	
20	Over 37 years and under 38 years.....	[5¾%] not less than 5¾% or
20A	more than 7¾%	
21	Over 38 years and under 39 years.....	[6%] not less than 6% or
21A	more than 8%	
22	Over 39 years and under 40 years.....	[6¼%] not less than 6¼% or
22A	more than 8¼%	
23	Over 40 years and under 41 years.....	[6½%] not less than 6½% or
23A	more than 8½%	
24	Over 41 years and under 42 years.....	[6¾%] not less than 6¾% or
24A	more than 8¾%	
25	Over 42 years and under 43 years.....	[7%] not less than 7% or
25A	more than 9%	
26	Over 43 years and under 44 years.....	[7¼%] not less than 7¼% or
26A	more than 9¼%	
27	Over 44 years and under 45 years.....	[7½%] not less than 7½% or
27A	more than 9½%	
28	[Over 45 years and up to 50 years.....	[8%] not less than 8% or
28A	more than 10%]	
29	(b) to any employee who is, at the time of the enactment of this act a member	
30	of any of the 3 aforesaid pension funds that are being merged into [this] the	
31	retirement system created hereby and who is now contributing less than 5%	
32	of his annual salary, the sum of [5%] not less than 5% or more than 7%,	
32A	as shall be determined by the commission, of the amount of his annual salary	
33	shall be deducted; (c) to any member of any of the 3 pension funds being	
34	merged into [this] the retirement system created hereby who is now con-	
35	tributing more than 5% of his annual salary [1%] not less than 1% or more	

36 than 3%, as shall be determined by the commission, of his annual salary in
37 addition to the amount now being deducted from said annual salary. [The
38 commission shall increase the rates of contribution provided herein, to the
39 maximum, likewise as provided herein, whenever the retirement system cre-
40 ated by this act shall have no assets or be unable to meet its obligations in
41 accordance with the provisions of this act; provided, however, that no insuffi-
42 ciency of funds shall be made up by the city until the commission shall have
43 required deductions from employees at the maximum rates set forth in sub-
44 section A of this section.] Such deductions shall continue to be made during
45 the entire period of employment of the member and until the death or retire-
46 ment of said member; provided, however, that such deductions shall be con-
47 tinued for a total period of at least 25 years, and in the event that death or
48 retirement occurs before the completion of the 25-year period, the aforesaid
49 deductions shall thereafter be continued to be made from the pension pay-
50 ments made pursuant to this act for the said period of time. The period
51 during which any employee contributed to [this] the retirement system cre-
52 ated hereby, and any prior service credits granted such employee and stand-
53 ing to his credit under the various statutes referred to previously, shall be
54 considered as part of the 25-year period herein referred to; provided, how-
55 ever, where an employee is promoted to a higher position in a temporary
56 capacity, he shall continue to have deducted from his salary the amount of
57 deductions due the pension fund on his permanent salary basis.

58 (B) To further provide for the solvency of the retirement system created
59 hereby the commission shall, (1) whenever the assets of the fund reach a
60 minimum of \$150,000.00 and (2) once prior to the end of the year 1956 and
61 once during every third year thereafter, cause the actuary appointed by the
62 commission to make an investigation into the conduct and operation of the
63 retirement system and into the mortality, service and compensation experi-
64 ence of the members and beneficiaries of the retirement system and to make
65 a valuation of the assets and liabilities of the system. The actuary shall re-
66 port thereon to the commission. Based upon said report the commission shall

67 (a) establish for the retirement system such mortality, service and other
68 tables as shall be deemed necessary and (b) adjust and certify the rates of
69 contribution to be paid by members of the retirement system and the city,
70 within the minimum and maximum schedules set forth in this act, on the basis
71 of the said investigation, valuation and report of the actuary, to the ends
72 that, so far as possible, (1) the assets of the fund shall not decline below a
73 minimum of \$150,000.00 and (2) the value of future contributions of members
74 and the city, when taken with present assets, shall not be less than the value
75 of prospective benefit payments based upon membership service to be ren-
76 dered after the effective date of this act.

77 **[(B)]** (C) The governing body of the city shall annually appropriate in
78 the city budget, raise by taxation, and contribute to the retirement system an
79 amount equal to the percentage of salary contributed by the members and
80 the pensioners of the said system. Such payment shall continue to be made
81 during the entire period of employment of each member and until the death
82 or retirement of each member; provided, however, that such payment shall
83 be continued in each case for a total period of at least 25 years, and in the
84 event that a member dies or retires before the completion of the 25-year
85 period, the said percentage shall thereafter continue to be made upon the
86 amount of pension payments resulting from such death or retirement until
87 the end of such 25-year period has been reached, provided, further, however,
88 the contribution of the city shall not continue beyond the time that the par-
89 ticular pension is paid or is being paid.

90 **[(C)]** (D) All moneys given to or donated to the retirement system and
91 all earnings of this retirement system shall be deposited to the credit of the
92 system.

93 **[(D)]** (E) All moneys required to meet the city contributions provided
94 for under this and all other sections of this act shall be appropriated annually
95 in the city budget by the governing body. If at any time there is not sufficient
96 money to meet the requirements of this system and pay the pensions or other
97 benefits provided for herein, the governing body shall, from time to time, in-

98 clude in any tax levy a sum sufficient to meet the said requirements and pay-
99 ments of the retirement system, *provided, however, that no insufficiency of*
100 *funds shall be made up by the city unless and until the commission shall have*
101 *required deductions from employees at the maximum rates set forth in sub-*
102 *section (A) of this section.*

1 28. The commission shall estimate and certify annually to the governing
2 body a reasonable amount required to defray the administrative expenses
3 in [this] *the* retirement system in the ensuing year, and the governing body
4 shall pay such amount to the commission as other expense funds of the city
5 are paid.

1 29. From and after the adoption of this act any employee who is or
2 becomes a member of [this] *the* retirement system *created hereby* may not
3 withdraw therefrom and shall not be entitled to a refund of any of the
4 moneys therefrom and thereafter deducted from his salary hereunder; pro-
5 vided, however, that any employee who is separated from the municipal serv-
6 ice through discharge, resignation, or for any reasons other than retirement,
7 except as hereinafter stated, shall be entitled to a refund of his contributions
8 without interest less *the value of* any actuarial and pension benefits re-
9 ceived. The obligation to refund payments made to [this] *the* retirement
10 system shall not apply to an employee suspended or discharged for causes
11 which bar him from eligibility to reappointment under civil service law and
12 rules. *The commission is hereby empowered to determine the value of*
13 *actuarial and pension benefits received by a member of the retirement*
14 *system.*

1 30. When a member of [this] *the* retirement system is separated from
2 service or is absent on leave for a period in excess of 1 year, and said
3 separation or leave of absence is not otherwise specifically provided for by
4 law, then and in such event the commission may remove such member from
5 the membership rolls of [this] *the* system, whereupon the said member shall
6 be entitled to receive a refund of his contributions to the system in accord-
7 ance with section 29 of this act. Whenever a member of [this] *the* retire-

8 ment system becomes separated from the municipal service for any reason
9 other than retirement or entry into the Armed Forces and subsequently
10 re-enters the service of the municipality within 5 years after such separa-
11 tion, then all the rights and benefits hereunder enjoyed by such member
12 prior to such separation shall be restored to him upon payment of any refunds
13 given to him at the time of his separation from the service; provided,
14 however, that such member shall not be entitled to receive credit for pension
15 purposes for the time elapsing during such separation period. Such repay-
16 ment of refunds may be made either (1) in sum or (2) by regular pay-roll
17 deductions over a period of not more than 5 years, but in no event to extend
18 beyond the date upon which such employee attains the age of 60 years, such
19 installments to be deducted in addition to the other deductions made from
20 his salary for **[this]** *the* retirement system.

1 31. Upon the adoption of this act, the transfer of membership from any
2 of the existing funds organized under the provisions of article 2, chapter
3 13, Title 43 of the Revised Statutes; and of chapter 18, Title 43 of the Re-
4 vised Statutes; and of chapter 19, Title 43 of the Revised Statutes to **[this]**
5 *the* retirement system *created hereby* shall result in a contractual relationship
6 with the city, **[the** benefits of which shall not be diminished or impaired
7 insofar as the provisions of this system are concerned.] *and or the benefits*
8 **[accruing]** *provided for under the aforesaid statutes shall not be diminished*
9 *or impaired; provided, however, that nothing [herein] in this section con-*
10 *tained shall affect the rates of contributions and the provisions governing*
11 *refund of contribution hereinbefore set forth for members and pensioners*
12 *of [this] the retirement system created hereby, including those members of*
13 *the aforesaid pension funds who are transferred to the retirement system*
14 *created hereby.*

1 32. The commission shall report annually the condition of the retire-
2 ment system and the manner in which its funds are invested. The report
3 shall be filed with the governing body of the municipality for the use of the
4 employees and the public. All systems created by this act and all pen-

5 sions, refunds and contributions granted under this act shall be exempt from
6 any State, county or municipal tax, levy and sale, garnishment, sequestra-
7 tion or attachment, or any other process, legal or equitable or both, and
8 shall not be assignable.

1 33. Any person who shall knowingly make any false statements or shall
2 falsify or permit to be falsified any record or records of [this] *the* retire-
3 ment system in any attempt to defraud such system, shall be guilty of a misde-
4 meanor, and shall be punishable therefor under the laws of the State of
5 New Jersey. Should any change of the record or any mistake in the records
6 result in any member or beneficiary receiving from the retirement system
7 more or less than he or she would have been entitled to receive had the rec-
8 ords been correct, then, upon the discovery of any such error, the commission
9 shall correct such error and, so far as possible, shall adjust the payments
10 which may be made to or by such person in such a manner that the equiva-
11 lent of the benefit to which he or she was correctly entitled shall be made.

1 34. To provide for the solvency of [this] *the* retirement system in addi-
2 tion to and separate and distinct from any obligation heretofore placed upon
3 the city by any provision of this act the city shall raise by taxation and pay
4 into the retirement system yearly the sum of \$100,000.00 for a period of 20
5 years, said period to commence immediately upon the adoption of this act.

1 35. Any person who, after the enactment of this act, becomes a perma-
2 nent employee of the city and becomes a member of this retirement system
3 and shall have served in the employ of the city in the aggregate for a period
4 of at least 25 years, and who shall have attained the age of 70 years, shall
5 be retired on a pension equal to $\frac{1}{2}$ of the salary he is receiving at the time
6 of his retirement, and for each year of service beyond 30 years and up to
7 40 years, the retiring employee shall for each additional year of service re-
8 ceive an additional pension of $2\frac{1}{2}\%$ of the salary received by him at the
9 time of his retirement; provided, however, that no pension shall exceed $\frac{3}{4}$
10 of the annual salary received by the said employee, nor shall any pension
11 exceed the sum of \$7,500.00 per annum.

1 36. The commission shall be empowered to affiliate with similar State
2 and national organizations.

1 37. If for any reason any section or part of any section or any provi-
2 sions of this act shall be questioned in any court, and shall be held to be
3 unconstitutional or invalid, the same shall not be held to affect any other
4 section or part of any section or provisions of this act.

1 38. The commission may require all pensioners and beneficiaries [to]
2 annually *and at such other times as it may be deemed necessary* to file an
3 affidavit or affidavits as to their status as pensioners or beneficiaries.

1 39. Nothing in this act shall affect, modify or repeal any of the provi-
2 sions of chapter 119 of the laws of 1941 or of chapter 250 of the laws of 1948.

1 40. This act shall take effect immediately.

STATE OF NEW JERSEY
Executive Department

November 15, 1954

ASSEMBLY BILL NO. 252

To the General Assembly:

Pursuant to Article V, Section I, paragraph 14 (b) of the Constitution, I am returning herewith for reconsideration and with my objections Assembly Bill No. 252.

This bill provides for the creation of an employee's retirement and benefit system for cities of the first class having a population in excess of 400,000 inhabitants. The scheme of the bill involves an integration into the new system of pension plans already operative in the municipality, pursuant to other enabling statutory provisions for board of health employees, public works employees and municipal employees generally. Notwithstanding that the City of Newark is the only municipality in the state included within the classification of municipalities set forth in the bill, I do not regard the bill as "special" in the constitutional sense as I find that the pension problems faced by that municipality, in the light of the existing condition of the 3 separate pension funds operating there under the statutes referred to, present a factual situation which makes the objectives and purposes of the bill peculiarly appropriate to the special problems faced by Newark, and which, therefore, reasonably justifies the limitation of the class.

As indicated, Newark now has 3 municipal pension funds, hereinafter referred to as the board of health fund, public works fund and municipal employees fund. The latter two are now insolvent. The board of health fund has assets of approximately \$600,000.00, but, on the basis of projected experience and present rates of contribution by members of the fund and the city, is in danger of ultimate insolvency. As a result of these conditions the governing body of the City of Newark, associations of its employees and

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civic groups in the city have for some time been studying ways and means of effecting a comprehensive long-range solution. The present bill has evolved from the efforts of these groups.

The general effect of this measure may be summarized briefly. The assets, obligations and liabilities of the 3 existing funds are absorbed and assumed by a new retirement system which, additionally, provides for increases in employee and city contributions over those called for by the old funds and liberalized pension and disability benefits for members of the system and for certain of their dependents. It also makes membership in the new fund obligatory upon all new employees of the city (excepting uniformed policemen or firemen) under 45 years of age.

Of the many present employees of the city not now members of any of the existing funds, those who, at the time of their original employment were under 50 years of age and are found physically and mentally fit, are permitted to become members of the system and to receive credit for all or any part of their prior service by making payments for the period of time to be credited to them.

My first examination and investigation into the provisions of this bill evoked two major problems. The first, and most important, was that no actuarial study had been made to indicate the existing obligations of the 3 funds based upon service rendered to date, nor as to whether the rates of contribution specified for employees and for the city were adequate to meet prospective obligations of the new fund for current and future service.

While the bill provides for payments by the City of Newark of \$100,000.00 per year for 20 years in addition to its obligation to match the contributions to be made by the employees, it leaves within the discretion of the commission set up to govern the system the fixing of the rates of contribution within a range of 2 percentage points of salary. It was indicated to me that it was

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probable that the new commission would commence the operation of the fund at the minimum rates. The only control provided in the bill against the fixing of inadequate rates was a provision, inserted by amendment at the behest of civic and taxpayer representatives, which I concluded was unsatisfactory. That provision, contained in Section 27(A), was to the effect that the commission should increase the rates of contribution to the maximum whenever the retirement system should have no assets or be unable to meet its obligations and that no insufficiency of funds should be made up by the city until the commission had required the maximum rates.

This did not and still does not seem to me a sound control device. There is suggested hereinafter in this message an amendment of the bill to meet this problem.

My second major concern with the bill relates to its effect upon certain City of Newark employees who wish to take advantage of federal social security coverage made possible by recent amendments of the social security law and enabling state legislation. Under the federal act, state and municipal employees may be given federal social security coverage provided that they are not eligible for membership in an existing retirement system. Where they are so eligible they are precluded from social security coverage unless the entire class of employees votes favorably for the coverage on referendum. The bulk of Newark's employees would be adverse to social security coverage as compared with the benefits of this bill but some of them, in the higher age categories, prefer such coverage to inclusion within the proposed new Newark system. My concern in this regard is to provide, so far as possible, for the preservation of the rights of that minority.

After passage of the present bill, I convened representatives of the Newark municipal administration, of its municipal employees

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and of the State Department of the Treasury. It was agreed that it was in the interests of the taxpayers of the City of Newark, as well as of its employees, that a comprehensive actuarial study should be made by an independent actuary so that all concerned with the effect of this measure, including the executive branch of the State government, might have the facts upon which an intelligent determination could be made as to the sound disposition of this bill in the general public interest. Such a study has been made. It shows that accrued obligations of the 3 former pension funds, based upon service of the municipal employees in such funds rendered to date, would amount to approximately \$18,000,000.00 in terms of the benefits provided by this bill. It further shows that if the retirement system created by this bill goes into operation on the basis of the minimum contribution rates for employees and for the city specified by the bill there is an indicated deficiency of 1.22% of payroll as against all demands upon the fund for current service (i.e. obligations represented by service to be rendered by employees after the new system goes into effect). Application of the maximum contribution rates would produce an excess of income for said purposes of 2.18%.

Disposition of the \$18,000,000.00 of accrued obligations could be effected either by funding the obligations or by permitting the city to meet maturities on these claims as they arise. I am convinced that it would not be financially feasible for the city to fund these accruals at the present time. Therefore, notwithstanding the theoretical desirability of funding, I am not recommending any amendment to the bill to compel that course. Under the terms of the bill the city will meet these accrued obligations by separate budgetary appropriations as they mature from time to time.

I have concluded, however, that it is essential that the bill contain actuarial controls which will assure the fixing of rates,

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within the schedule of the bill, effective to prevent a deficit in city and employee contributions as against current service obligations of the fund. To that end I am recommending an amendment which will provide that whenever the assets in the fund decline below \$150,000.00, and, additionally, once prior to the end of the year 1956 and once during every third year thereafter, an actuarial study shall be made of the operation and condition of the fund and that the rates of contribution shall be adjusted by the commission upon the basis of such studies so as to assure that, so far as possible within the schedule of contributions fixed in the bill, the assets shall not decline below \$150,000.00 and that at all times the value of future contributions of members and the city, when taken with present assets, shall not be less than the value of prospective benefit payments based upon membership service to be rendered after the commencement of the operation of the new fund. I am further recommending that the city be precluded from meeting any deficiencies in the operation of the fund (exclusive of the \$100,000.00 annual contribution for 20 years) unless and until the commission requires contributions at the maximum rates provided for in the schedule of the bill.

In respect to the problem of the minority of the city employees who prefer federal social security coverage to coverage under this bill, it is to be noted that while the bill provides for eligibility in the city fund of all new city employees under the age of 45, yet in the case of present employees not members of existing funds it makes eligible for membership for 60 days all who were under 50 years of age at the time of their original employment by the city. My investigation indicates that the reduction of the age limitation in that regard to 45 is necessary as a great majority of the persons in the class of those ^{who} were between 45 and 50 years of age when first employed by the city would find social security coverage far more

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advantageous than inclusion within the present bill. Reduction of the eligibility age in this respect will, therefore, free the employees in that category for social security coverage.

Numerous other technical amendments to the bill have been found to be necessary and have been agreed to by representatives of the City of Newark. They are included in the schedule of suggested amendments which follows.

I believe it appropriate for me to acknowledge in this message the full cooperation of the Mayor, City Council and other representatives of the City of Newark, as well as of the representatives of its employees, in making possible a constructive approach to and solution of the problems presented by this bill.

Accordingly, I am returning herewith Assembly Bill No. 252 for reconsideration and with the recommendation that amendments be made to the bill as follows:

On page 2, section 1, line 32, after the word "shall" insert ", subject to the provisions of Section 13(a) of this act,".

On page 2, section 1, line 40, delete the first "and" and insert in lieu thereof "or"; delete the second "and" and insert in lieu thereof "or".

On page 2, section 1, line 45, delete the figure "50" and insert in lieu thereof "45"; at the end of the line, after the word "shall" insert ", subject to the provisions of Section 13 of this act,".

On page 3, section 1, line 46, after the word "right" insert ", subject to Section 13(b) of this act,".

On page 4, section 3, line 5, delete the last "the" and insert in lieu thereof "a".

On page 5, section 3, line 10, delete the period at the end of the line and insert "ending December 31 and the first such appointee shall serve until January 1 of the year following the year of his selection unless selected after January 1, 1955, in which event his term shall expire on December 31, 1955. Members of the commission designated by the mayor shall not hold office beyond the incumbency of the mayor. In case of a vacancy as to a member designated by the mayor, he shall designate a successor."

On page 5, section 3, line 33, delete the comma after the word "days".

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On page 6, section 4, line 1, after the word "vacancy" insert "of an elected member".

On page 6, section 4, line 3, after the word "election" insert "and at said election a successor shall be elected to serve for the unexpired remainder of the term vacated".

On page 6, section 5, line 6, after the word "expenditures" insert "authorized by the commission".

On page 6, section 5, line 10, after the word "attorney" insert "and an actuary"; delete the word "his" and insert in lieu thereof "their".

On page 6, section 5, line 11, after "compensation," insert "The commission may engage such independent actuarial assistance as may be necessary to assist the actuary from time to time."

On page 7, section 7, line 5, after the first "of" insert "the retirement system under".

On page 7, section 9, line 1, after the first "to" insert "issue subpoenas to".

On page 7, section 9, line 7, after "witnesses." insert "Contempt of the commission may be punished by summary proceedings before a judge of the county court."

On page 7, section 11, line 2, after the word "bonded" insert "in such amount as shall be determined by the commission,".

On page 8, section 12, lines 4 and 5, delete beginning with the word "or" on line 4 and through the word "State" on line 5 and insert in lieu thereof "of New Jersey, subdivisions, instrumentalities or agencies of the State of New Jersey or of any interstate agency of which the State of New Jersey is a member".

On page 8, section 13, line 3, delete the comma after the word "city".

On page 8, section 13, line 17, after the word "All" insert "present"; after the word "city," insert "as herein defined,"; delete ", at the time of the adoption of the act,".

On page 8, section 13, line 18, delete "as provided hereinbefore, were under 50" and insert in lieu thereof "were not more than 45".

On page 8, section 13, line 24, delete "(c)" and insert in lieu thereof "(1)".

On page 8, section 13, line 25, delete the word "this" and insert in lieu thereof "the".

On page 8, section 13, line 26, delete the word "this" and insert in lieu thereof "the".

On page 9, section 13, line 43, delete "(d)" and insert in lieu thereof "(2)".

On page 9, section 13, line 44, delete the word "this" and insert in lieu thereof "the".

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On page 9, section 13, line 48, delete "(e)" and insert in lieu thereof "(c)".

On page 10, section 14, line 6, after the word "all" insert "of".

On page 10, section 14, line 8, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 10, section 14, line 11, delete the word "this" and insert in lieu thereof "the".

On page 10, section 16, lines 2, 3, 4, and 5, delete the semicolon after the word "act" on line 2 and the entire remainder of the sentence thereafter beginning with the word "provided" and through the word "statutes" on line 5.

On page 10, section 16, line 10, delete the semicolon.

On pages 10 and 11, section 16, lines 15, 16, 17, 18, 19 and 20, delete beginning with the word "provided" on line 15 and continuing through the word "notwithstanding" on line 20 and insert in lieu thereof "subject, however, to the provisions of Section 31 of this act."

On page 12, section 19, line 24, insert the section number "20." prior to the words "Subject to" and set the same off as a new paragraph.

On page 12, section 19, line 25, delete ", accident".

On page 12, section 19, line 26, delete the word "sickness" and insert in lieu thereof "illness".

On page 13, section 20, line 1, delete the figure "20." and eliminate the paragraph break.

On page 13, section 20, line 2, delete "disability,".

On page 13, section 20, lines 2 and 3, delete "dis-" on line 2 and "ease" on line 3 and insert in lieu thereof "illness".

On page 13, section 21, line 2, delete "(a)" and insert in lieu thereof "the".

On page 13, section 21, line 3, delete ", accident" and "sickness" and insert in lieu of "sickness" the word "illness".

On page 15, section 26, line 9, delete the comma after "ary".

On page 15, section 26, line 17, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 15, section 26, line 20, delete the word "this" and insert in lieu thereof "the".

On page 15, section 26, line 21, after the word "fund" insert "created hereby"; delete the word "this" and insert in lieu thereof "said".

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On page 15, section 26, line 23, after the word "member" insert ", as determined by the commission".

On page 16, section 26, line 52, after the word "employees" insert "not involving conviction of a crime involving moral turpitude as aforesaid".

On page 17, section 27, line 5, delete the second "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 17, section 27, line 9, delete the word "this" and insert in lieu thereof "said".

On page 17, section 27, line 11, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 18, section 27, lines 28 and 28A, delete in entirety lines 28 and 28A.

On page 18, section 27, line 30, delete the word "this" and insert in lieu thereof "the".

On page 18, section 27, line 31, after the word "system" insert "created hereby".

On page 18, section 27, line 33, delete the word "this" and insert in lieu thereof "the".

On page 18, section 27, line 34, after the word "system" insert "created hereby".

On page 19, section 27, lines 36A, 36B, 36C, 36D, 36E, 36F and 36G, delete the entirety of the sentence beginning with the words "The commission" on line 36A through the word "section," on line 36G.

On page 19, section 27, line 42, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 19, section 27, after line 48 insert a new subparagraph as follows:

"(B) To further provide for the solvency of the retirement system created hereby the commission shall, (1) whenever the assets of the fund reach a minimum of \$150,000.00 and (2) once prior to the end of the year 1950 and once during every third year thereafter, cause the actuary appointed by the commission to make an investigation into the conduct and operation of the retirement system and into the mortality, service and compensation experience of the members and beneficiaries of the retirement system and to make a valuation of the assets and liabilities of the system. The actuary shall report thereon to the commission. Based upon said report the commission shall (a) establish for the retirement system such mortality, service and other tables as shall be deemed necessary and (b) adjust and certify the rates of contribution to be paid by members of the retirement system and the city, within

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the minimum and maximum schedules set forth in this act, on the basis of the said investigation, valuation and report of the actuary, to the ends that, so far as possible, (1) the assets of the fund shall not decline below a minimum of \$150,000.00 and (2) the value of future contributions of members and the city, when taken with present assets, shall not be less than the value of prospective benefit payments based upon membership service to be rendered after the effective date of this act."

On page 19, section 27, line 49, delete "(B)" and insert in lieu thereof "(C)".

On page 20, section 27, line 62, delete "C" and insert in lieu thereof "(D)".

On page 20, section 27, line 65, delete "(D)" and insert in lieu thereof "(E)".

On page 20, section 27, line 71, after the word "system" insert", provided, however, that no insufficiency of funds shall be made up by the city unless and until the commission shall have required deductions from employees at the maximum rates set forth in subsection (A) of this section".

On page 20, section 28, line 3, delete the word "this" and insert in lieu thereof "the".

On page 20, section 29, line 2, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby".

On page 20, section 29, line 8, insert at the beginning of the line "the value of".

On page 20, section 29, line 9, delete the word "this" and insert in lieu thereof "the".

On page 20, section 29, line 11, at the end of the line insert the following sentence "The commission is hereby empowered to determine the value of actuarial and pension benefits received by a member of the retirement system."

On page 21, section 30, line 1, delete the word "this" and insert in lieu thereof "the".

On page 21, section 30, line 5, delete the word "this" and insert in lieu thereof "the".

On page 21, section 30, line 7, delete the word "this" and insert in lieu thereof "the".

On page 21, section 30, line 20, delete the word "this" and insert in lieu thereof "the".

On page 21, section 31, line 4, delete the word "this" and insert in lieu thereof "the".

On page 21, section 31, line 5, after the word "system" insert "created hereby".

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On page 21, section 31, line 7, after the word "and" insert "or"; after the word "benefits" insert "provided for"; delete the word "accruing".

On page 21, section 31, line 9, delete the first "herein" and insert in lieu thereof "in this section"; after the word "contributions" insert "and the provisions governing refund of contribution".

On page 21, section 31, line 10, delete the word "this" and insert in lieu thereof "the"; after the word "system" insert "created hereby, including those members of the aforesaid pension funds who are transferred to the retirement system created hereby".

On page 22, section 33, line 2, delete the word "this" and insert in lieu thereof "the".

On page 22, section 34, line 1, delete the word "this" and insert in lieu thereof "the".

On page 22, section 35, line 1, insert a comma after the word "act".

On page 23, section 38, line 1, delete the word "to".

On page 23, section 38, line 2, after "nually" insert "and at such other times as it may be deemed necessary to".

Respectfully,

ROBERT B. MEYNER

GOVERNOR

(Seal)

Attest:

ROBERT J. BURKHARDT

Secretary to the Governor