

43:15A-155

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 366
NJSA: 43:15A-155 (Prosecutors Part—benefits in PERS)
BILL NO: A4047 (Substituted for S1767)

SPONSOR(S): Bateman

DATE INTRODUCED: December 13, 2001

COMMITTEE: **ASSEMBLY:** Appropriations

SENATE: ----

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** January 7, 2002

SENATE: January 7, 2002

DATE OF APPROVAL: January 7, 2002

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (1st reprint enacted)

(Amendments during passage denoted by superscript numbers)

A4047

SPONSORS STATEMENT: (Begins on page 6 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

S1767

SPONSORS STATEMENT: (Begins on page 3 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

11-29-2001(State Gov't)

12-13-2001(Budget)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL NOTE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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HEARINGS: No

NEWSPAPER ARTICLES: No

"New law improves prosecutors' pensions," 1-22-2002 Trenton Times p. A8

ASSEMBLY, No. 4047

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED DECEMBER 13, 2001

Sponsored by:

Assemblyman CHRISTOPHER "KIP" BATEMAN

District 16 (Morris and Somerset)

SYNOPSIS

Creates Prosecutors Part with other benefits in PERS.

CURRENT VERSION OF TEXT

As introduced.



A4047 BATEMAN

2

1 AN ACT concerning retirement benefits for county prosecutors, certain
2 assistant and deputy attorneys general, certain criminal investigators
3 and the Director of the Division of Criminal Justice in the
4 Department of Law and Public Safety and supplementing P.L.1954,
5 c.84 (C.43:15A-1 et seq.).
6

7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:
9

10 1. As used in this act, P.L. , c. (C.) (now pending before the
11 Legislature as this bill):

12 "Service" includes service as (1) a county prosecutor, first assistant
13 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
14 seq.; (2) the Director of the Division of Criminal Justice in the
15 Department of Law and Public Safety; (3) an assistant director, deputy
16 director, assistant attorney general or deputy attorney general in that
17 department and assigned to that division pursuant to P.L.1970, c.74
18 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
19 Criminal Justice in the Department of Law and Public Safety who is
20 not eligible for enrollment in the Police and Firemen's Retirement
21 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.).

22 "Beneficiary" means any person entitled to receive any benefit
23 pursuant to the provisions of this act by reason of the death of a
24 prosecutor or retirant.

25 "Final salary" means the annual salary received by the member of
26 the Prosecutors Part at the time of retirement or death.

27 "Retirant" means any former member of the Prosecutors Part
28 receiving a pension or retirement allowance as provided by this act.

29 "Prosecutor" means (1) a county prosecutor, first assistant
30 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
31 seq.; (2) the Director of the Division of Criminal Justice in the
32 Department of Law and Public Safety; (3) an assistant director, deputy
33 director, assistant attorney general or deputy attorney general in that
34 department and assigned to that division pursuant to P.L.1970, c.74
35 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
36 Criminal Justice in the Department of Law and Public Safety who is
37 not eligible for enrollment in the Police and Firemen's Retirement
38 System.
39

40 2. a. Notwithstanding the provisions of any other law, prosecutors
41 shall be members of the Prosecutors Part, established pursuant to this
42 act, P.L. , c. (C.) (now pending before the Legislature as this
43 bill), of the Public Employees' Retirement System, established pursuant
44 to P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject to the
45 same membership and benefit provisions as State employees, except as
46 provided by P.L. , c. (now pending before the Legislature as this

1 bill). Membership in the retirement system shall be a condition of
2 employment for service as a prosecutor. Any service credit which has
3 been established in the Public Employees' Retirement System by a
4 prosecutor prior to the effective date of this act shall be established in
5 the Prosecutors Part without further assessment of cost to the
6 prosecutor.

7 b. All outstanding obligations, such as loans, purchases and other
8 arrearage, shall be satisfied by a prosecutor as previously scheduled
9 for payment to the Public Employees' Retirement System.

10

11 3. a. Notwithstanding the provisions of section 25 of P.L.1954,
12 c.84 (C.43:15A-25) to the contrary, a separate account shall be
13 established in the annuity savings fund for each prosecutor and all
14 contributions based on the prosecutor's salary shall be credited to this
15 account.

16 b. A prosecutor shall contribute at a rate established by the board,
17 which contribution shall be deducted from the salary at the time or
18 times it is paid, and which shall be exclusive of any other contribution
19 required of the prosecutor for Social Security, contributory death
20 benefits or deductions for any other purpose.

21 c. A prosecutor who is enrolled on the basis of other public service
22 before, during, or after service as a prosecutor shall contribute for
23 such other service at the rate of contribution required of other
24 members as provided by section 25.

25

26 4. a. Any member of the Prosecutors Part who has attained age
27 55 years may retire on a service retirement allowance by filing with the
28 retirement system a written application, duly attested, stating at what
29 time subsequent to the execution and filing thereof the member desires
30 to be retired. The board of trustees shall retire the member at the time
31 specified or at such other time within one month after the date so
32 specified as the board finds advisable. Any prosecutor in service who
33 attains age 70 years shall be retired by the board of trustees on a
34 service retirement allowance forthwith on the first day of the next
35 calendar month or at such time within one month thereafter as it finds
36 advisable, except that a prosecutor attaining age 70 years may be
37 continued in service on an annual basis upon written notice to the
38 retirement system by the Attorney General or the Board of Chosen
39 Freeholders of the county employing the prosecutor.

40 b. Upon retirement for service a prosecutor shall receive a service
41 retirement allowance which shall consist of:

42 (1) An annuity which shall be the actuarial equivalent of the
43 prosecutor's aggregate contributions and

44 (2) A pension in the amount which, when added to the prosecutor's
45 annuity, will provide a total retirement allowance of one-sixtieth of
46 average final compensation multiplied by the number of years of

1 creditable service, or 2% of average final compensation multiplied by
2 the number of years of creditable service up to 30 plus 1% of average
3 final compensation multiplied by the number of years of creditable
4 service over 30, or 50% of final compensation if the prosecutor has
5 established 20 or more years of creditable service, whichever is
6 greater.

7 c. Any prosecutor as of the effective date of P.L. , c. (C.)
8 (now pending before the Legislature as this bill) who has 20 or more
9 years of creditable service at the time of retirement shall be entitled to
10 receive a retirement allowance equal to 50% of final compensation
11 plus, in the case of a prosecutor required to retire pursuant to the
12 provisions of subsection a. of this section, 3% of final compensation
13 multiplied by the number of years of creditable service over 20 but not
14 over 25.

15 d. Upon the receipt of proper proofs of the death of a prosecutor
16 who has retired on a service retirement allowance, there shall be paid
17 to the prosecutor's beneficiary an amount equal to one-half of the
18 compensation upon which contributions by the prosecutor to the
19 annuity savings fund were based in the last year of creditable service.
20

21 5. Should a member of the Prosecutors Part resign after having
22 established 25 years of creditable service, the prosecutor may elect
23 "special retirement," provided, that such election is communicated by
24 the prosecutor to the retirement system by filing a written application,
25 duly attested, stating at what time subsequent to the execution and
26 filing thereof the prosecutor desires to be retired. The prosecutor shall
27 receive, in lieu of the payment provided in section 4 of this act,
28 P.L. , c. (C.) (now pending before the Legislature as this bill),
29 a retirement allowance which shall consist of:

30 (1) An annuity which shall be the actuarial equivalent of the
31 prosecutor's aggregate contributions, and

32 (2) A pension in the amount which, when added to the prosecutor's
33 annuity, will provide a total retirement allowance of 65% of final
34 compensation, plus 1% of final compensation multiplied by the number
35 of years of creditable service over 25 but not over 30.

36 The board of trustees shall retire the prosecutor at the time
37 specified or at such other time within one month after the date so
38 specified as the board finds advisable.

39 Upon the receipt of proper proofs of the death of such a retirant,
40 there shall be paid to the retirant's beneficiary an amount equal to
41 one-half of the final compensation received by the prosecutor.
42

43 6. Should a prosecutor, after having established 10 years of
44 creditable service, be separated voluntarily or involuntarily from the
45 service, before reaching age 55, and not by removal for cause on
46 charges of misconduct or delinquency, such person may elect to

1 receive the payments provided for in sections 4 or 5 of this act,
2 P.L. , c. (C.) (now pending before the Legislature as this bill),
3 or a deferred retirement allowance, beginning on the first day of the
4 month following the prosecutor's attainment of age 55 and the filing
5 of an application therefor, which shall consist of:

6 (1) An annuity which shall be the actuarial equivalent of
7 prosecutor's aggregate contributions at the time of severance from the
8 service and

9 (2) A pension in the amount which, when added to the prosecutor's
10 annuity, will provide a total retirement allowance of 2% of final
11 compensation multiplied by the number of years of creditable service
12 up to 30 plus 1% of final compensation multiplied by the number of
13 years of creditable service over 30, provided that such inactive
14 prosecutor may elect to receive payments provided under sections 4
15 or 5 of this act, P.L. , c. (C.) (now pending before the
16 Legislature as this bill), if the prosecutor had qualified under that
17 section at the time of leaving service, except that in order to avail
18 himself or herself of the option, the prosecutor must exercise such
19 option at least 30 days before the effective date of retirement. If such
20 inactive prosecutor shall die before attaining age 55, the prosecutor's
21 aggregate contributions shall be paid in accordance with subsection c.
22 of section 41 of P.L.1954, c.84 (C.43:15A-41). If such inactive
23 member shall die after attaining age 55 but before filing an application
24 for retirement benefits pursuant to this section or section 5 of this act,
25 P.L. , c. (c.) (now pending before the Legislature as this bill) and
26 has not withdrawn his or her aggregate contributions, or in the event
27 of death after retirement, an amount equal to the accumulated
28 deductions plus one-half of the compensation upon which
29 contributions by the prosecutor to the annuity savings fund were based
30 in the last year of creditable service shall be paid to such prosecutor's
31 beneficiary.

32 Any prosecutor who, having elected to receive a deferred
33 retirement allowance, again becomes a prosecutor covered by the
34 Prosecutors Part of the retirement system while under the age of 55,
35 shall thereupon be reenrolled. If the prosecutor had discontinued
36 service for more than two consecutive years, subsequent contributions
37 shall be at the prosecutor's former rate increased for the years of
38 inactive membership. The prosecutor shall be credited with all service
39 as a member of the Prosecutors Part standing to the prosecutor's credit
40 at the time of an election to receive a deferred retirement allowance.

41
42 7. The State shall be liable for any increased pension costs to a
43 county as a result of the enrollment of prosecutors, first assistant
44 prosecutors and assistant prosecutors in the Prosecutors Part,
45 established pursuant to this act, P.L. , c. (C.) (now pending
46 before the Legislature as this bill), of the Public Employees'

1 Retirement System, established pursuant to P.L.1954, c.84
2 (C.43:15A-1 et seq.). The actuary for the Public Employees'
3 Retirement System shall determine the unfunded accrued liability for
4 the Prosecutors Part of the retirement system and the benefits
5 provided for prosecutors under that part in the same manner provided
6 for the determination of the unfunded accrued liability of the
7 retirement system by section 24 of P.L.1954, c.84 (C.43:15A-24).
8 This unfunded accrued liability shall be amortized in the manner
9 provided by section 24 over an amortization period of 30 years.

10

11 8. This act shall take effect immediately.

12

13

14

STATEMENT

15

16 This bill creates a Prosecutors Part in the Public Employees'
17 Retirement System to provide enhanced pension benefits for county
18 prosecutors, first assistant prosecutors and assistant prosecutors; the
19 Director of the Division of Criminal Justice in the Department of Law
20 and Public Safety; assistant directors, deputy directors, assistant
21 attorney generals and deputy attorney generals in that department and
22 assigned to that division; and criminal investigators in the Division of
23 Criminal Justice in the Department of Law and Public Safety who are
24 not eligible for enrollment in the Police and Firemen's Retirement
25 System.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4047

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 3, 2002

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4047 with committee amendments.

This bill, as amended, creates a Prosecutors Part in the Public Employees' Retirement System to provide enhanced pension benefits for county prosecutors, first assistant prosecutors and assistant prosecutors; the Director of the Division of Criminal Justice in the Department of Law and Public Safety; assistant directors, deputy directors, assistant attorney generals and deputy attorney generals in that department and assigned to that division; and criminal investigators in the Division of Criminal Justice in the Department of Law and Public Safety who are not eligible for enrollment in the Police and Firemen's Retirement System.

As amended and reported by the committee, this bill is identical to Senate Bill No. 1767 (2R).

FISCAL IMPACT:

According to information supplied by the Department of the Treasury, this bill will have a combined State and local government impact of \$13 million in State Fiscal Year 2004, which is an amortization of the additional unfunded liability created by the bill; however, the amount of liability that actually remains unfunded will depend upon the availability of excess valuation assets. Costs are expected to increase by 5.95% for each subsequent year. Use of excess valuation assets will have the direct impact of accelerating the resumption of State and local employer normal costs, which by State law are offset by excess valuation assets. Under the bill, the State is liable for increased local pension costs of the bill.

COMMITTEE AMENDMENTS:

The amendments make technical changes to legal references, including the correction of a defined term from "final salary" to "final compensation," to make the bill identical to Senate Bill No.1767 (2R).

[First Reprint]

ASSEMBLY, No. 4047

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED DECEMBER 13, 2001

Sponsored by:

Assemblyman CHRISTOPHER "KIP" BATEMAN

District 16 (Morris and Somerset)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

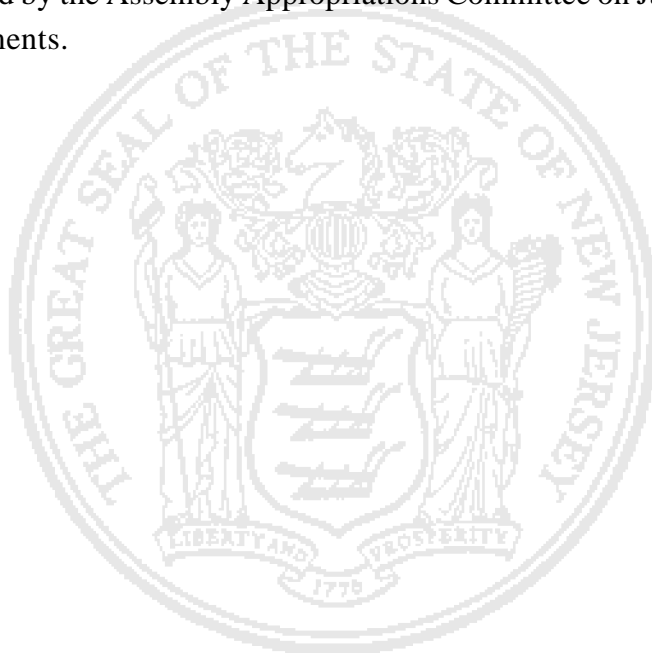
Assemblyman Biondi, Senators Bucco and Kavanaugh

SYNOPSIS

Creates Prosecutors Part with other benefits in PERS.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on January 3, 2002,
with amendments.



(Sponsorship Updated As Of: 1/8/2002)

1 AN ACT concerning retirement benefits for county prosecutors, certain
2 assistant and deputy attorneys general, certain criminal investigators
3 and the Director of the Division of Criminal Justice in the
4 Department of Law and Public Safety and supplementing P.L.1954,
5 c.84 (C.43:15A-1 et seq.).
6

7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:
9

10 1. As used in this act, P.L. , c. (C.) (now pending before the
11 Legislature as this bill):

12 "Service" includes service as (1) a county prosecutor, first assistant
13 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
14 seq.; (2) the Director of the Division of Criminal Justice in the
15 Department of Law and Public Safety; (3) an assistant director, deputy
16 director, assistant attorney general or deputy attorney general in that
17 department and assigned to that division pursuant to P.L.1970, c.74
18 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
19 Criminal Justice in the Department of Law and Public Safety who is
20 not eligible for enrollment in the Police and Firemen's Retirement
21 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.).

22 "Beneficiary" means any person entitled to receive any benefit
23 pursuant to the provisions of this act by reason of the death of a
24 prosecutor or retirant.

25 ¹["Final salary"] "Final compensation"¹ means the annual salary
26 received by the member of the Prosecutors Part at the time of
27 retirement or death.

28 "Retirant" means any former member of the Prosecutors Part
29 receiving a pension or retirement allowance as provided by this act.

30 "Prosecutor" means (1) a county prosecutor, first assistant
31 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
32 seq.; (2) the Director of the Division of Criminal Justice in the
33 Department of Law and Public Safety; (3) an assistant director, deputy
34 director, assistant attorney general or deputy attorney general in that
35 department and assigned to that division pursuant to P.L.1970, c.74
36 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
37 Criminal Justice in the Department of Law and Public Safety who is
38 not eligible for enrollment in the Police and Firemen's Retirement
39 System.
40

41 2. a. Notwithstanding the provisions of any other law, prosecutors

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 3, 2002.

1 shall be members of the Prosecutors Part, established pursuant ¹[to
2 this act,]¹ P.L. , c. (C.) (now pending before the Legislature as
3 this bill), of the Public Employees' Retirement System, established
4 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject
5 to the same membership and benefit provisions as State employees,
6 except as provided by P.L. , c. (now pending before the Legislature
7 as this bill). Membership in the retirement system shall be a condition
8 of employment for service as a prosecutor. Any service credit which
9 has been established in the Public Employees' Retirement System by a
10 prosecutor prior to the effective date of this act shall be established in
11 the Prosecutors Part without further assessment of cost to the
12 prosecutor.

13 b. All outstanding obligations, such as loans, purchases and other
14 arrearage, shall be satisfied by a prosecutor as previously scheduled
15 for payment to the Public Employees' Retirement System.

16

17 3. a. Notwithstanding the provisions of section 25 of P.L.1954,
18 c.84 (C.43:15A-25) to the contrary, a separate account shall be
19 established in the annuity savings fund for each prosecutor and all
20 contributions based on the prosecutor's salary shall be credited to this
21 account.

22 b. A prosecutor shall contribute at a rate established by the board,
23 which contribution shall be deducted from the salary at the time or
24 times it is paid, and which shall be exclusive of any other contribution
25 required of the prosecutor for Social Security, contributory death
26 benefits or deductions for any other purpose.

27 c. A prosecutor who is enrolled on the basis of other public service
28 before, during, or after service as a prosecutor shall contribute for
29 such other service at the rate of contribution required of other
30 members as provided by section 25.

31

32 4. a. Any member of the Prosecutors Part who has attained age
33 55 years may retire on a service retirement allowance by filing with the
34 retirement system a written application, duly attested, stating at what
35 time subsequent to the execution and filing thereof the member desires
36 to be retired. The board of trustees shall retire the member at the time
37 specified or at such other time within one month after the date so
38 specified as the board finds advisable. Any prosecutor in service who
39 attains age 70 years shall be retired by the board of trustees on a
40 service retirement allowance forthwith on the first day of the next
41 calendar month or at such time within one month thereafter as it finds
42 advisable, except that a prosecutor attaining age 70 years may be
43 continued in service on an annual basis upon written notice to the
44 retirement system by the Attorney General or the Board of Chosen
45 Freeholders of the county employing the prosecutor.

46 b. Upon retirement for service a prosecutor shall receive a service

1 retirement allowance which shall consist of:

2 (1) An annuity which shall be the actuarial equivalent of the
3 prosecutor's aggregate contributions and

4 (2) A pension in the amount which, when added to the prosecutor's
5 annuity, will provide a total retirement allowance of one-sixtieth of
6 average final compensation multiplied by the number of years of
7 creditable service, or 2% of average final compensation multiplied by
8 the number of years of creditable service up to 30 plus 1% of average
9 final compensation multiplied by the number of years of creditable
10 service over 30, or 50% of final compensation if the prosecutor has
11 established 20 or more years of creditable service, whichever is
12 greater.

13 c. Any prosecutor as of the effective date of P.L. , c. (C.)
14 (now pending before the Legislature as this bill) who has 20 or more
15 years of creditable service at the time of retirement shall be entitled to
16 receive a retirement allowance equal to 50% of final compensation
17 plus, in the case of a prosecutor required to retire pursuant to the
18 provisions of subsection a. of this section, 3% of final compensation
19 multiplied by the number of years of creditable service over 20 but not
20 over 25.

21 d. Upon the receipt of proper proofs of the death of a prosecutor
22 who has retired on a service retirement allowance, there shall be paid
23 to the prosecutor's beneficiary an amount equal to one-half of the
24 compensation upon which contributions by the prosecutor to the
25 annuity savings fund were based in the last year of creditable service.
26

27 5. Should a member of the Prosecutors Part resign after having
28 established 25 years of creditable service, the prosecutor may elect
29 "special retirement," provided, that such election is communicated by
30 the prosecutor to the retirement system by filing a written application,
31 duly attested, stating at what time subsequent to the execution and
32 filing thereof the prosecutor desires to be retired. The prosecutor shall
33 receive, in lieu of the payment provided in section 4 of ¹[this act,]¹
34 P.L. , c. (C.) (now pending before the Legislature as this bill),
35 a retirement allowance which shall consist of:

36 (1) An annuity which shall be the actuarial equivalent of the
37 prosecutor's aggregate contributions ¹[,]¹ and

38 (2) A pension in the amount which, when added to the prosecutor's
39 annuity, will provide a total retirement allowance of 65% of final
40 compensation, plus 1% of final compensation multiplied by the number
41 of years of creditable service over 25 but not over 30.

42 The board of trustees shall retire the prosecutor at the time
43 specified or at such other time within one month after the date so
44 specified as the board finds advisable.

45 Upon the receipt of proper proofs of the death of such a retiree,
46 there shall be paid to the retiree's beneficiary an amount equal to

1 one-half of the final compensation received by the prosecutor.

2

3 6. Should a prosecutor, after having established 10 years of
4 creditable service, be separated voluntarily or involuntarily from the
5 service, before reaching age 55, and not by removal for cause on
6 charges of misconduct or delinquency, such person may elect to
7 receive the payments provided for in sections 4 or 5 of ¹[this act,]¹
8 P.L. , c. (C.) (now pending before the Legislature as this bill),
9 or a deferred retirement allowance, beginning on the first day of the
10 month following the prosecutor's attainment of age 55 and the filing
11 of an application therefor, which shall consist of:

12 (1) An annuity which shall be the actuarial equivalent of
13 prosecutor's aggregate contributions at the time of severance from the
14 service and

15 (2) A pension in the amount which, when added to the prosecutor's
16 annuity, will provide a total retirement allowance of 2% of final
17 compensation multiplied by the number of years of creditable service
18 up to 30 plus 1% of final compensation multiplied by the number of
19 years of creditable service over 30, provided that such inactive
20 prosecutor may elect to receive payments provided under sections 4
21 or 5 of ¹[this act,]¹ P.L. , c. (C.) (now pending before the
22 Legislature as this bill), if the prosecutor had qualified under that
23 section at the time of leaving service, except that in order to avail
24 himself or herself of the option, the prosecutor must exercise such
25 option at least 30 days before the effective date of retirement. If such
26 inactive prosecutor shall die before attaining age 55, the prosecutor's
27 aggregate contributions shall be paid in accordance with subsection c.
28 of section 41 of P.L.1954, c.84 (C.43:15A-41). If such inactive
29 ¹[member] prosecutor¹ shall die after attaining age 55 but before
30 filing an application for retirement benefits pursuant to this section or
31 section 5 of ¹[this act,]¹ P.L. , c. (c.) (now pending before the
32 Legislature as this bill) and has not withdrawn his or her aggregate
33 contributions, or in the event of death after retirement, an amount
34 equal to the accumulated deductions plus one-half of the compensation
35 upon which contributions by the prosecutor to the annuity savings
36 fund were based in the last year of creditable service shall be paid to
37 such prosecutor's beneficiary.

38 Any prosecutor who, having elected to receive a deferred
39 retirement allowance, again becomes a prosecutor covered by the
40 Prosecutors Part of the retirement system while under the age of 55,
41 shall thereupon be reenrolled. If the prosecutor had discontinued
42 service for more than two consecutive years, subsequent contributions
43 shall be at the prosecutor's former rate increased for the years of
44 inactive membership. The prosecutor shall be credited with all service
45 as a member of the Prosecutors Part standing to the prosecutor's credit
46 at the time of an election to receive a deferred retirement allowance.

1 7. The State shall be liable for any increased pension costs to a
2 county as a result of the enrollment of prosecutors, first assistant
3 prosecutors and assistant prosecutors in the Prosecutors Part,
4 established pursuant to ¹[this act,]¹ P.L. , c. (C.) (now pending
5 before the Legislature as this bill), of the Public Employees'
6 Retirement System, established pursuant to P.L.1954, c.84
7 (C.43:15A-1 et seq.). The actuary for the Public Employees'
8 Retirement System shall determine the unfunded accrued liability for
9 the Prosecutors Part of the retirement system and the benefits
10 provided for prosecutors under that part in the same manner provided
11 for the determination of the unfunded accrued liability of the
12 retirement system by section 24 of P.L.1954, c.84 (C.43:15A-24).
13 This unfunded accrued liability shall be amortized in the manner
14 provided by section 24 over an amortization period of 30 years.

15

16 8. This act shall take effect immediately.

SENATE, No. 1767

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED JUNE 11, 2001

Sponsored by:

Senator ANTHONY R. BUCCO

District 25 (Morris)

Senator WALTER J. KAVANAUGH

District 16 (Morris and Somerset)

SYNOPSIS

Provides eligibility for PFRS membership to county prosecutors, certain assistant and deputy attorneys general, and Director of Division of Criminal Justice in DLPS.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/27/2001)

1 AN ACT concerning membership in the Police and Firemen's
2 Retirement System of New Jersey and supplementing P.L.1944,
3 c.255 (C.43:16A-1 et seq.).
4

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

8 1. a. Notwithstanding any law, rule or regulation to the contrary,
9 any member of the Public Employees' Retirement System, established
10 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), holding the title of (1)
11 county prosecutor, first assistant prosecutor or assistant prosecutor as
12 defined in N.J.S.2A:158-1 et seq.; (2) Director of the Division of
13 Criminal Justice in the Department of Law and Public Safety; or (3)
14 assistant attorney general, assistant deputy attorney general or deputy
15 attorney general in that department and assigned to that division
16 pursuant to P.L.1970, c.74 (C.52:17B-97 et seq.) may transfer
17 membership in the Public Employees' Retirement System to the Police
18 and Firemen's Retirement System, established pursuant to P.L.1944,
19 c.255 (C.43:16A-1 et seq.), by waiving all rights and benefits which
20 would otherwise be provided by the Public Employees' Retirement
21 System. Any such employee may continue membership in the Public
22 Employees' Retirement System by waiving all rights and benefits which
23 would otherwise be provided by the Police and Firemen's Retirement
24 System. Such waivers shall be accomplished by filing forms
25 satisfactory to the Division of Pensions and Benefits in the Department
26 of the Treasury within 90 days of the effective date of this act, P.L.
27 , c. (C.) (now pending before the Legislature as this bill). In the
28 absence of the filing of a timely waiver by any eligible employee, the
29 pension status of that employee shall remain unchanged, and the
30 membership of the employee shall not be transferred to the Police and
31 Firemen's Retirement System.

32 b. An employee transferring under subsection a. of this section shall
33 have the same obligations, rights and benefits as other members of the
34 Police and Firemen's Retirement System. Deductions from the
35 employee's salary and contributions on the employee's behalf shall be
36 made as required by the Police and Firemen's Retirement System and
37 shall be the same as deductions and contributions payable by or for
38 other members of the retirement system. Any service credit which has
39 been established in the Public Employees' Retirement System by the
40 transferred employee shall be established in the Police and Firemen's
41 Retirement System without further assessment of cost to either the
42 employer or the employee.

43 c. All outstanding obligations, such as loans, purchases and other
44 arrearage, shall be satisfied by the transferred employee as previously
45 scheduled for payment to the Public Employees' Retirement System.

1 2. Any person appointed to the title of (1) county prosecutor, first
2 assistant prosecutor or assistant prosecutor as defined in N.J.S.2A:158-
3 1 et seq.; (2) Director of the Division of Criminal Justice in the
4 Department of Law and Public Safety; or (3) assistant attorney general,
5 assistant deputy attorney general or deputy attorney general employed
6 by that department and assigned to that division pursuant to P.L.1970,
7 c.74 (C.52:17B-97 et seq.), on or after the effective date of this act,
8 P.L. , c. (C.) (now pending before the Legislature as this bill),
9 shall be enrolled in the Police and Firemen's Retirement System,
10 provided the employee is otherwise eligible for membership by
11 meeting appointment, age and health requirements prescribed of all
12 members.

13
14 3. Within 120 days following the effective date of this act,
15 P.L. , c. (now pending before the Legislature as this bill), the Public
16 Employees' Retirement System, established pursuant to P.L.1954, c.84
17 (C.43:15A-1 et seq.), shall remit to the Police and Firemen's
18 Retirement System, established pursuant to P.L.1944, c.255
19 (C.43:16A-1 et seq.), all accumulated deductions standing to the credit
20 of each transferred employee, and within 180 days following the
21 effective date of this act, shall remit the pro-rata part of the contingent
22 reserve fund constituting the employer's obligations under the Public
23 Employees' Retirement System applicable to the employee's account.
24 The Police and Firemen's Retirement System shall then enter the
25 respective sums so remitted to it to the credit of the employee in the
26 annuity savings fund and to the credit of the employer in the pension
27 accumulation fund of the Police and Firemen's Retirement System.

28
29 4. This act shall take effect immediately.

30

31

32

STATEMENT

33

34 This bill allows any county prosecutor, first assistant county
35 prosecutor or assistant county prosecutor, as well as the Director of the
36 Division of Criminal Justice in the Department of Law and Public
37 Safety and any assistant attorney general, assistant deputy attorney
38 general or deputy attorney general employed by that department and
39 assigned to that division, currently enrolled in the Public Employees'
40 Retirement System (PERS) to transfer to the Police and Firemen's
41 Retirement System (PFRS). Any service credit which has been
42 established in PERS by a transferred employee shall be established in
43 PFRS without further assessment of cost to either the employer or the
44 employee. The bill also provides that any new employee in those
45 positions shall be enrolled in PFRS provided the employee is otherwise
46 eligible for membership by meeting PFRS appointment, age and health
47 requirements.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 1767

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 29, 2001

The Senate State Government Committee reports favorably and with committee amendments Senate, No. 1767.

This bill allows any county prosecutor, first assistant county prosecutor or assistant county prosecutor, as well as criminal investigators in the Division of Criminal Justice and the Director of the Division of Criminal Justice in the Department of Law and Public Safety and any assistant attorney general, assistant deputy attorney general or deputy attorney general employed by that department and assigned to that division, currently enrolled in the Public Employees' Retirement System (PERS) to transfer to the Police and Firemen's Retirement System (PFRS). Any service credit which has been established in PERS by a transferred employee will be established in PFRS without further assessment of cost to either the employer or the employee. The bill also provides that any new employee in those positions will be enrolled in PFRS provided the employee is otherwise eligible for membership by meeting PFRS appointment, age and health requirements.

The committee amended the bill to include criminal investigators (not all criminal investigators transferred from PERS to PFRS pursuant to P.L.1997, c.89) and to provide that the State will be liable for any increased pension costs to a county as a result of the enrollment of prosecutors, first assistant prosecutors and assistant prosecutors in PFRS.

[First Reprint]

SENATE, No. 1767

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED JUNE 11, 2001

Sponsored by:

Senator ANTHONY R. BUCCO

District 25 (Morris)

Senator WALTER J. KAVANAUGH

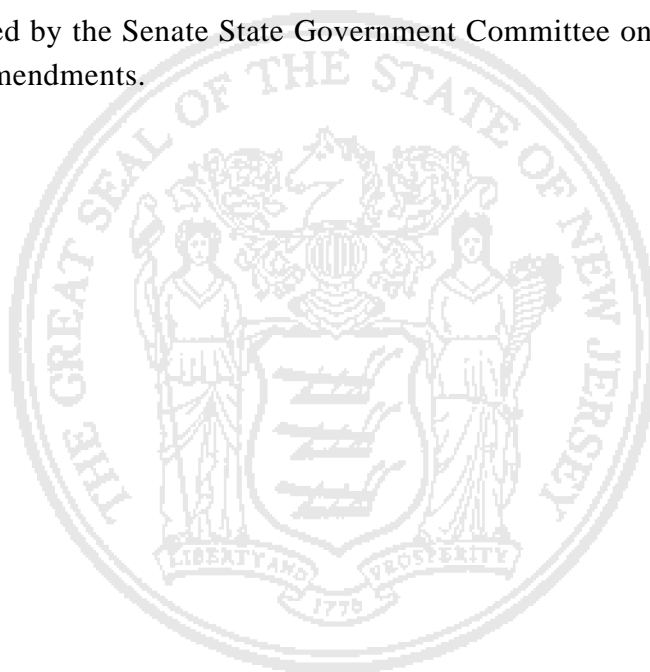
District 16 (Morris and Somerset)

SYNOPSIS

Provides eligibility for PFRS membership to county prosecutors, certain assistant and deputy attorneys general, criminal investigators and Director of Division of Criminal Justice in DLPS.

CURRENT VERSION OF TEXT

As reported by the Senate State Government Committee on November 29, 2001, with amendments.



(Sponsorship Updated As Of: 11/27/2001)

1 AN ACT concerning membership in the Police and Firemen's
 2 Retirement System of New Jersey and supplementing P.L.1944,
 3 c.255 (C.43:16A-1 et seq.).

4

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

7

8 1. a. Notwithstanding any law, rule or regulation to the contrary,
 9 any member of the Public Employees' Retirement System, established
 10 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), holding the title of (1)
 11 county prosecutor, first assistant prosecutor or assistant prosecutor as
 12 defined in N.J.S.2A:158-1 et seq.; (2) Director of the Division of
 13 Criminal Justice in the Department of Law and Public Safety; ¹[or]¹
 14 (3) assistant attorney general, assistant deputy attorney general or
 15 deputy attorney general in that department and assigned to that division
 16 pursuant to P.L.1970, c.74 (C.52:17B-97 et seq.)¹; or (4) criminal
 17 investigator in the Division of Criminal Justice in the Department of
 18 Law and Public Safety¹ may transfer membership in the Public
 19 Employees' Retirement System to the Police and Firemen's Retirement
 20 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.),
 21 by waiving all rights and benefits which would otherwise be provided
 22 by the Public Employees' Retirement System. Any such employee may
 23 continue membership in the Public Employees' Retirement System by
 24 waiving all rights and benefits which would otherwise be provided by
 25 the Police and Firemen's Retirement System. Such waivers shall be
 26 accomplished by filing forms satisfactory to the Division of Pensions
 27 and Benefits in the Department of the Treasury within 90 days of the
 28 effective date of this act, P.L. , c. (C.) (now pending before the
 29 Legislature as this bill). In the absence of the filing of a timely waiver
 30 by any eligible employee, the pension status of that employee shall
 31 remain unchanged, and the membership of the employee shall not be
 32 transferred to the Police and Firemen's Retirement System.

33 b. An employee transferring under subsection a. of this section shall
 34 have the same obligations, rights and benefits as other members of the
 35 Police and Firemen's Retirement System. Deductions from the
 36 employee's salary and contributions on the employee's behalf shall be
 37 made as required by the Police and Firemen's Retirement System and
 38 shall be the same as deductions and contributions payable by or for
 39 other members of the retirement system. Any service credit which has
 40 been established in the Public Employees' Retirement System by the
 41 transferred employee shall be established in the Police and Firemen's
 42 Retirement System without further assessment of cost to either the
 43 employer or the employee.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SSG committee amendments adopted November 29, 2001.

1 c. All outstanding obligations, such as loans, purchases and other
2 arrearage, shall be satisfied by the transferred employee as previously
3 scheduled for payment to the Public Employees' Retirement System.
4

5 2. Any person appointed to the title of (1) county prosecutor, first
6 assistant prosecutor or assistant prosecutor as defined in N.J.S.2A:158-
7 1 et seq.; (2) Director of the Division of Criminal Justice in the
8 Department of Law and Public Safety; ¹[or]¹ (3) assistant attorney
9 general, assistant deputy attorney general or deputy attorney general
10 employed by that department and assigned to that division pursuant to
11 P.L.1970, c.74 (C.52:17B-97 et seq.) ¹; or criminal investigator in the
12 Division of Criminal Justice in the Department of Law and Public
13 Safety¹, on or after the effective date of this act, P.L. , c. (C.)
14 (now pending before the Legislature as this bill), shall be enrolled in
15 the Police and Firemen's Retirement System, provided the employee is
16 otherwise eligible for membership by meeting appointment, age and
17 health requirements prescribed of all members.
18

19 3. Within 120 days following the effective date of this act,
20 P.L. , c. (now pending before the Legislature as this bill), the Public
21 Employees' Retirement System, established pursuant to P.L.1954, c.84
22 (C.43:15A-1 et seq.), shall remit to the Police and Firemen's
23 Retirement System, established pursuant to P.L.1944, c.255
24 (C.43:16A-1 et seq.), all accumulated deductions standing to the credit
25 of each transferred employee, and within 180 days following the
26 effective date of this act, shall remit the pro-rata part of the contingent
27 reserve fund constituting the employer's obligations under the Public
28 Employees' Retirement System applicable to the employee's account.
29 The Police and Firemen's Retirement System shall then enter the
30 respective sums so remitted to it to the credit of the employee in the
31 annuity savings fund and to the credit of the employer in the pension
32 accumulation fund of the Police and Firemen's Retirement System.
33

34 ¹4. The State shall be liable for any increased pension costs to a
35 county as a result of the enrollment prosecutors, first assistant
36 prosecutors and assistant prosecutors in the Police and Firemen's
37 Retirement System.¹
38

39 ¹[4.] 5.¹ This act shall take effect immediately.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 1767

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 13, 2001

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1767 (1R).

This bill establishes within the Public Employees' Retirement System (PERS) a special Prosecutors Part for: any county prosecutor, first assistant county prosecutor or assistant county prosecutor; the Director of the Division of Criminal Justice in the Department of Law and Public Safety; any assistant director, deputy director, assistant attorney general or deputy attorney general employed by that department and assigned to that division; and any criminal investigator in the Division of Criminal Justice ineligible for enrollment in the Police and Firemen's Retirement System (PFRS).

Under the bill, service credit that a prosecutor shall previously have established in PERS will be established in the new Prosecutors Part without further assessment of cost to the prosecutor.

The bill establishes retirement benefits for members of the Prosecutors Part that are the same as those applicable under the Police and Firemen's Retirement System. In addition, the bill would impose upon prosecutors mandatory retirement at age 70.

The bill provides that the State shall be liable for any increase in pension costs to a county that results from the enrollment of prosecutors in the Prosecutors Part. Any increase in the unfunded accrued liability in PERS arising from the benefits established for the Prosecutors Part are to be amortized over a period of 30 years in the manner provided for other such liability in PERS.

COMMITTEE AMENDMENTS:

Committee amendments to this bill replace the bill's provisions for the transfer of prosecutors to PFRS from PERS with the provisions establishing the Prosecutors Part in the latter system.

FISCAL IMPACT:

The fiscal impact of this legislation is not yet known.

[Second Reprint]

SENATE, No. 1767

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED JUNE 11, 2001

Sponsored by:

Senator ANTHONY R. BUCCO

District 25 (Morris)

Senator WALTER J. KAVANAUGH

District 16 (Morris and Somerset)

SYNOPSIS

Creates prosecutors Part with other benefits in PERS.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on December 13, 2001, with amendments.



(Sponsorship Updated As Of: 11/27/2001)

1 AN ACT concerning ²[membership in the Police and Firemen's
 2 Retirement System of New Jersey] retirement benefits for county
 3 prosecutors, certain assistant and deputy attorneys general, certain
 4 criminal investigators and the Director of the Division of Criminal
 5 Justice in the Department of Law and Public Safety² and
 6 supplementing ²[P.L.1944, c.255 (C.43:16A-1 et seq.)] P.L.1954,
 7 c.84 (C.43:15A-1 et seq.)².

8
 9 **BE IT ENACTED** by the Senate and General Assembly of the State
 10 of New Jersey:

11
 12 ²[1. a. Notwithstanding any law, rule or regulation to the contrary,
 13 any member of the Public Employees' Retirement System, established
 14 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), holding the title of (1)
 15 county prosecutor, first assistant prosecutor or assistant prosecutor as
 16 defined in N.J.S.2A:158-1 et seq.; (2) Director of the Division of
 17 Criminal Justice in the Department of Law and Public Safety; ¹[or]¹
 18 (3) assistant attorney general, assistant deputy attorney general or
 19 deputy attorney general in that department and assigned to that division
 20 pursuant to P.L.1970, c.74 (C.52:17B-97 et seq.)¹; or (4) criminal
 21 investigator in the Division of Criminal Justice in the Department of
 22 Law and Public Safety¹ may transfer membership in the Public
 23 Employees' Retirement System to the Police and Firemen's Retirement
 24 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.),
 25 by waiving all rights and benefits which would otherwise be provided
 26 by the Public Employees' Retirement System. Any such employee may
 27 continue membership in the Public Employees' Retirement System by
 28 waiving all rights and benefits which would otherwise be provided by
 29 the Police and Firemen's Retirement System. Such waivers shall be
 30 accomplished by filing forms satisfactory to the Division of Pensions
 31 and Benefits in the Department of the Treasury within 90 days of the
 32 effective date of this act, P.L. , c. (C.) (now pending before the
 33 Legislature as this bill). In the absence of the filing of a timely waiver
 34 by any eligible employee, the pension status of that employee shall
 35 remain unchanged, and the membership of the employee shall not be
 36 transferred to the Police and Firemen's Retirement System.

37 b. An employee transferring under subsection a. of this section shall
 38 have the same obligations, rights and benefits as other members of the
 39 Police and Firemen's Retirement System. Deductions from the
 40 employee's salary and contributions on the employee's behalf shall be
 41 made as required by the Police and Firemen's Retirement System and
 42 shall be the same as deductions and contributions payable by or for

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SSG committee amendments adopted November 29, 2001.

² Senate SBA committee amendments adopted December 13, 2001.

1 other members of the retirement system. Any service credit which has
2 been established in the Public Employees' Retirement System by the
3 transferred employee shall be established in the Police and Firemen's
4 Retirement System without further assessment of cost to either the
5 employer or the employee.

6 c. All outstanding obligations, such as loans, purchases and other
7 arrearage, shall be satisfied by the transferred employee as previously
8 scheduled for payment to the Public Employees' Retirement System.]²

9
10 ²[2. Any person appointed to the title of (1) county prosecutor, first
11 assistant prosecutor or assistant prosecutor as defined in N.J.S.2A:158-
12 1 et seq.; (2) Director of the Division of Criminal Justice in the
13 Department of Law and Public Safety; ¹[or]¹ (3) assistant attorney
14 general, assistant deputy attorney general or deputy attorney general
15 employed by that department and assigned to that division pursuant to
16 P.L.1970, c.74 (C.52:17B-97 et seq.) ¹; or criminal investigator in the
17 Division of Criminal Justice in the Department of Law and Public
18 Safety¹, on or after the effective date of this act, P.L. , c. (C.)
19 (now pending before the Legislature as this bill), shall be enrolled in
20 the Police and Firemen's Retirement System, provided the employee is
21 otherwise eligible for membership by meeting appointment, age and
22 health requirements prescribed of all members.]²

23
24 ²[3. Within 120 days following the effective date of this act,
25 P.L. , c. (now pending before the Legislature as this bill), the Public
26 Employees' Retirement System, established pursuant to P.L.1954, c.84
27 (C.43:15A-1 et seq.), shall remit to the Police and Firemen's
28 Retirement System, established pursuant to P.L.1944, c.255
29 (C.43:16A-1 et seq.), all accumulated deductions standing to the credit
30 of each transferred employee, and within 180 days following the
31 effective date of this act, shall remit the pro-rata part of the contingent
32 reserve fund constituting the employer's obligations under the Public
33 Employees' Retirement System applicable to the employee's account.
34 The Police and Firemen's Retirement System shall then enter the
35 respective sums so remitted to it to the credit of the employee in the
36 annuity savings fund and to the credit of the employer in the pension
37 accumulation fund of the Police and Firemen's Retirement System.]²

38
39 ²1. As used in this act, P.L. , c. (C.) (now pending before
40 the Legislature as this bill):

41 "Service" includes service as (1) a county prosecutor, first assistant
42 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
43 seq.; (2) the Director of the Division of Criminal Justice in the
44 Department of Law and Public Safety; (3) an assistant director, deputy
45 director, assistant attorney general or deputy attorney general in that
46 department and assigned to that division pursuant to P.L.1970, c.74
47 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of

1 Criminal Justice in the Department of Law and Public Safety who is
2 not eligible for enrollment in the Police and Firemen's Retirement
3 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.).

4 "Beneficiary" means any person entitled to receive any benefit
5 pursuant to the provisions of this act by reason of the death of a
6 prosecutor or retirant.

7 "Final compensation" means the annual salary received by the
8 member of the Prosecutors Part at the time of retirement or death.

9 "Retirant" means any former member of the Prosecutors Part
10 receiving a pension or retirement allowance as provided by this act.

11 "Prosecutor" means (1) a county prosecutor, first assistant
12 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
13 seq.; (2) the Director of the Division of Criminal Justice in the
14 Department of Law and Public Safety; (3) an assistant director, deputy
15 director, assistant attorney general or deputy attorney general in that
16 department and assigned to that division pursuant to P.L.1970, c.74
17 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
18 Criminal Justice in the Department of Law and Public Safety who is
19 not eligible for enrollment in the Police and Firemen's Retirement
20 System.²

21

22 ²2. a. Notwithstanding the provisions of any other law, prosecutors
23 shall be members of the Prosecutors Part, established pursuant to
24 P.L. , c. (C.) (now pending before the Legislature as this bill),
25 of the Public Employees' Retirement System, established pursuant to
26 P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject to the same
27 membership and benefit provisions as State employees, except as
28 provided by P.L. , c. (now pending before the Legislature as this
29 bill). Membership in the retirement system shall be a condition of
30 employment for service as a prosecutor. Any service credit which has
31 been established in the Public Employees' Retirement System by a
32 prosecutor prior to the effective date of this act shall be established in
33 the Prosecutors Part without further assessment of cost to the
34 prosecutor.

35 b. All outstanding obligations, such as loans, purchases and other
36 arrearage, shall be satisfied by a prosecutor as previously scheduled
37 for payment to the Public Employees' Retirement System.²

38

39 ²3. a. Notwithstanding the provisions of section 25 of P.L.1954,
40 c.84 (C.43:15A-25) to the contrary, a separate account shall be
41 established in the annuity savings fund for each prosecutor and all
42 contributions based on the prosecutor's salary shall be credited to this
43 account.

44 b. A prosecutor shall contribute at a rate established by the board,
45 which contribution shall be deducted from the salary at the time or
46 times it is paid, and which shall be exclusive of any other contribution

1 required of the prosecutor for Social Security, contributory death
2 benefits or deductions for any other purpose.

3 c. A prosecutor who is enrolled on the basis of other public service
4 before, during, or after service as a prosecutor shall contribute for
5 such other service at the rate of contribution required of other
6 members as provided by section 25.²

7
8 ^{24.} a. Any member of the Prosecutors Part who has attained age
9 55 years may retire on a service retirement allowance by filing with the
10 retirement system a written application, duly attested, stating at what
11 time subsequent to the execution and filing thereof the member desires
12 to be retired. The board of trustees shall retire the member at the time
13 specified or at such other time within one month after the date so
14 specified as the board finds advisable. Any prosecutor in service who
15 attains age 70 years shall be retired by the board of trustees on a
16 service retirement allowance forthwith on the first day of the next
17 calendar month or at such time within one month thereafter as it finds
18 advisable, except that a prosecutor attaining age 70 years may be
19 continued in service on an annual basis upon written notice to the
20 retirement system by the Attorney General or the Board of Chosen
21 Freeholders of the county employing the prosecutor.

22 b. Upon retirement for service a prosecutor shall receive a service
23 retirement allowance which shall consist of:

24 (1) An annuity which shall be the actuarial equivalent of the
25 prosecutor's aggregate contributions and

26 (2) A pension in the amount which, when added to the prosecutor's
27 annuity, will provide a total retirement allowance of one-sixtieth of
28 average final compensation multiplied by the number of years of
29 creditable service, or 2% of average final compensation multiplied by
30 the number of years of creditable service up to 30 plus 1% of average
31 final compensation multiplied by the number of years of creditable
32 service over 30, or 50% of final compensation if the prosecutor has
33 established 20 or more years of creditable service, whichever is
34 greater.

35 c. Any prosecutor as of the effective date of P.L. , c. (C.)
36 (now pending before the Legislature as this bill) who has 20 or more
37 years of creditable service at the time of retirement shall be entitled to
38 receive a retirement allowance equal to 50% of final compensation
39 plus, in the case of a prosecutor required to retire pursuant to the
40 provisions of subsection a. of this section, 3% of final compensation
41 multiplied by the number of years of creditable service over 20 but not
42 over 25.

43 d. Upon the receipt of proper proofs of the death of a prosecutor
44 who has retired on a service retirement allowance, there shall be paid
45 to the prosecutor's beneficiary an amount equal to one-half of the
46 compensation upon which contributions by the prosecutor to the
47 annuity savings fund were based in the last year of creditable service.²

1 ²5. Should a member of the Prosecutors Part resign after having
2 established 25 years of creditable service, the prosecutor may elect
3 "special retirement," provided, that such election is communicated by
4 the prosecutor to the retirement system by filing a written application,
5 duly attested, stating at what time subsequent to the execution and
6 filing thereof the prosecutor desires to be retired. The prosecutor shall
7 receive, in lieu of the payment provided in section 4 of P.L. , c.
8 (C.) (now pending before the Legislature as this bill), a retirement
9 allowance which shall consist of:

10 (1) An annuity which shall be the actuarial equivalent of the
11 prosecutor's aggregate contributions and

12 (2) A pension in the amount which, when added to the prosecutor's
13 annuity, will provide a total retirement allowance of 65% of final
14 compensation, plus 1% of final compensation multiplied by the number
15 of years of creditable service over 25 but not over 30.

16 The board of trustees shall retire the prosecutor at the time
17 specified or at such other time within one month after the date so
18 specified as the board finds advisable.

19 Upon the receipt of proper proofs of the death of such a retirant,
20 there shall be paid to the retirant's beneficiary an amount equal to
21 one-half of the final compensation received by the prosecutor.²

22
23 ²6. Should a prosecutor, after having established 10 years of
24 creditable service, be separated voluntarily or involuntarily from the
25 service, before reaching age 55, and not by removal for cause on
26 charges of misconduct or delinquency, such person may elect to
27 receive the payments provided for in sections 4 or 5 of P.L. , c.
28 (C.) (now pending before the Legislature as this bill), or a deferred
29 retirement allowance, beginning on the first day of the month
30 following the prosecutor's attainment of age 55 and the filing of an
31 application therefor, which shall consist of:

32 (1) An annuity which shall be the actuarial equivalent of
33 prosecutor's aggregate contributions at the time of severance from the
34 service and

35 (2) A pension in the amount which, when added to the prosecutor's
36 annuity, will provide a total retirement allowance of 2% of final
37 compensation multiplied by the number of years of creditable service
38 up to 30 plus 1% of final compensation multiplied by the number of
39 years of creditable service over 30, provided that such inactive
40 prosecutor may elect to receive payments provided under sections 4
41 or 5 of P.L. , c. (C.) (now pending before the Legislature as this
42 bill), if the prosecutor had qualified under that section at the time of
43 leaving service, except that in order to avail himself or herself of the
44 option, the prosecutor must exercise such option at least 30 days
45 before the effective date of retirement. If such inactive prosecutor
46 shall die before attaining age 55, the prosecutor's aggregate

1 contributions shall be paid in accordance with subsection c. of section
2 41 of P.L.1954, c.84 (C.43:15A-41). If such inactive prosecutor shall
3 die after attaining age 55 but before filing an application for retirement
4 benefits pursuant to this section or section 5 of P.L. , c. (C.)
5 (now pending before the Legislature as this bill) and has not
6 withdrawn his or her aggregate contributions, or in the event of death
7 after retirement, an amount equal to the accumulated deductions plus
8 one-half of the compensation upon which contributions by the
9 prosecutor to the annuity savings fund were based in the last year of
10 creditable service shall be paid to such prosecutor's beneficiary.

11 Any prosecutor who, having elected to receive a deferred
12 retirement allowance, again becomes a prosecutor covered by the
13 Prosecutors Part of the retirement system while under the age of 55,
14 shall thereupon be reenrolled. If the prosecutor had discontinued
15 service for more than two consecutive years, subsequent contributions
16 shall be at the prosecutor's former rate increased for the years of
17 inactive membership. The prosecutor shall be credited with all service
18 as a member of the Prosecutors Part standing to the prosecutor's credit
19 at the time of an election to receive a deferred retirement allowance.²

20

21 ²[¹4.] ^{7.}² The State shall be liable for any increased pension costs
22 to a county as a result of the enrollment ²of ²prosecutors, first
23 assistant prosecutors and assistant prosecutors in the ²[Police and
24 Firemen's Retirement System] Prosecutors Part, established pursuant
25 to P.L. , c. (C.) (now pending before the Legislature as this
26 bill), of the Public Employees' Retirement System, established pursuant
27 to P.L.1954, c.84 (C.43:15A-1 et seq.). The actuary for the Public
28 Employees' Retirement System shall determine the unfunded accrued
29 liability for the Prosecutors Part of the retirement system and the
30 benefits provided for prosecutors under that part in the same manner
31 provided for the determination of the unfunded accrued liability of the
32 retirement system by section 24 of P.L.1954, c.84 (C.43:15A-24).
33 This unfunded accrued liability shall be amortized in the manner
34 provided by section 24 over an amortization period of 30 years^{2.}¹

35

36 ¹[4.] ²[^{5.}¹] ^{8.}² This act shall take effect immediately.

FISCAL NOTE
[Second Reprint]
SENATE, No. 1767
STATE OF NEW JERSEY
209th LEGISLATURE

DATED: JANUARY 22, 2002

SUMMARY

Synopsis: Creates Prosecutors Part with other benefits in PERS.
Type of Impact: Expenditure increase; State General Fund.
Agencies Affected: Department of Treasury, Division of Pensions and Benefits.

Executive Estimate

Fiscal Impact	FY 2004	FY 2005	FY 2006
State Cost	\$13,080,817	\$13,859,125	\$14,683,743
Local Cost	no direct costs	no direct costs	no direct costs

- ! The Office of Legislative Services (OLS) **concurs** with the Executive estimate.
- ! Provides county prosecutors, first assistant prosecutors and assistant prosecutors, and the Director of the Division of Criminal Justice, assistant directors, deputy directors, assistant attorneys general, deputy attorneys general and certain criminal investigators assigned to the division enhanced pension benefits.
- ! Creates a separate Prosecutors Part in the Public Employees Retirement System (PERS) to provide enhanced pension benefits that mirror the benefits found in the Police and Firemen's Retirement System (PFRS).
- ! The Division of Pensions and Benefits will incur \$500,000 in additional first-year costs to implement the provisions of the bill.

BILL DESCRIPTION

Senate Bill No. 1767 [2R]of 2001 creates a Prosecutors Part within the Public Employees' Retirement System (PERS) to provide enhanced retirement benefits for county prosecutors and certain State employees. These enhanced retirement benefits would be similar to the retirement benefits found in the Police and Firemen's Retirement System (PFRS). The State is liable for any increased pension costs to counties as a result of enrollment of prosecutors, first assistant

prosecutors and assistant prosecutors in the Prosecutors Part of PERS.

Membership in the Prosecutors Part of PERS would be required of county prosecutors, first assistant prosecutors, assistant prosecutors, the Director of the Division of Criminal Justice in the Department of Law and Public Safety, assistant directors, deputy directors, assistant attorneys general or deputy attorneys general in that department and assigned to that division, and to criminal investigators of the division who are not eligible for enrollment in PERS.

FISCAL ANALYSIS

EXECUTIVE BRANCH

Additional liabilities created in the Public Employees' Retirement System (PERS) by the Prosecutors Part pension enhancement in this bill include: (1) the accrued (prior) liability to provide the increased benefit to existing members and retirees, and (2) the additional cost payable to the pension system each year (normal cost) to ensure that the future liability for this enhancement is funded.

The Division of Pensions and Benefits estimates the present value of the additional unfunded accrued liability at approximately \$129.6 million. This cost includes \$24.2 million in PERS - State and \$105.4 million in PERS - Local. This cost may be amortized over 30 years, resulting in an annual State payment of approximately \$6.7 million beginning in FY 2004. This cost is anticipated to increase by 5.95 percent in each subsequent year, rising to \$7.1 million in FY 2005 and \$7.5 million in FY 2006.

Due to the two-year lag between actuarial reporting and budgetary funding of pension liabilities, the first payment for the enhanced benefit would be assessed in the June 30, 2002 PERS valuation reports if this bill is enacted before then and would not be payable until FY 2004.

The additional normal cost to PERS is estimated at \$6.4 million per year, beginning in FY 2004. This cost is estimated to increase by 5.95 percent for each subsequent year, rising to \$6.8 million in FY 2005 and \$7.2 million in FY 2006.

The division's estimated cost to administer the bill is \$500,000 in FY 2003 for data processing services. These administrative costs are paid with pension system assets.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) concurs with the Executive estimate.

The following table illustrates the enhanced retirement benefits pursuant to this bill under three retirement scenarios. The pension allocation for members retiring after 20 years of service would rise by approximately 37.4 percent under the provisions of this bill, while members retiring after 25 and 30 years of service would receive a pension increase of approximately 42.8 percent and 28.4 percent, respectively.

Years of Service	PERS	S1767 [2R]
20	36.4% of FC at age 60	50% of FC at age 55
25	45.5% of FC at age 55	65% of FC at any age
30	54.5% of FC at age 55	70% of FC at any age

* FC = "Final Compensation" means "the annual salary received by the member of the Prosecutors Part at the time of retirement or death."

The Office of Legislative Services (OLS) notes that PFRS members do not receive Social Security benefits for their PFRS-covered service while retirees under the Prosecutors Part of PERS will be eligible for Social Security benefits for their PERS-covered service.

PERS members may receive retirement allowance at age 60, while members of the Prosecutors Part of PERS will be eligible at age 55.

Section: *State Government*

Analyst: *James F. Vari*
Associate Fiscal Analyst

Approved: *Alan R. Kooney*
Legislative Budget and Finance Officer

This fiscal note has been prepared pursuant to P.L.1980, c.67.

P.L. 2001, CHAPTER 366, *approved January 7, 2002*
Assembly, No. 4047 (*First Reprint*)

1 **AN ACT** concerning retirement benefits for county prosecutors, certain
2 assistant and deputy attorneys general, certain criminal investigators
3 and the Director of the Division of Criminal Justice in the
4 Department of Law and Public Safety and supplementing P.L.1954,
5 c.84 (C.43:15A-1 et seq.).

6

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

9

10 1. As used in this act, P.L. , c. (C.) (now pending before the
11 Legislature as this bill):

12 "Service" includes service as (1) a county prosecutor, first assistant
13 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
14 seq.; (2) the Director of the Division of Criminal Justice in the
15 Department of Law and Public Safety; (3) an assistant director, deputy
16 director, assistant attorney general or deputy attorney general in that
17 department and assigned to that division pursuant to P.L.1970, c.74
18 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
19 Criminal Justice in the Department of Law and Public Safety who is
20 not eligible for enrollment in the Police and Firemen's Retirement
21 System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.).

22 "Beneficiary" means any person entitled to receive any benefit
23 pursuant to the provisions of this act by reason of the death of a
24 prosecutor or retirant.

25 ¹["Final salary"] "Final compensation"¹ means the annual salary
26 received by the member of the Prosecutors Part at the time of
27 retirement or death.

28 "Retirant" means any former member of the Prosecutors Part
29 receiving a pension or retirement allowance as provided by this act.

30 "Prosecutor" means (1) a county prosecutor, first assistant
31 prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et
32 seq.; (2) the Director of the Division of Criminal Justice in the
33 Department of Law and Public Safety; (3) an assistant director, deputy
34 director, assistant attorney general or deputy attorney general in that
35 department and assigned to that division pursuant to P.L.1970, c.74
36 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of
37 Criminal Justice in the Department of Law and Public Safety who is
38 not eligible for enrollment in the Police and Firemen's Retirement
39 System.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 3, 2002.

1 2. a. Notwithstanding the provisions of any other law, prosecutors
2 shall be members of the Prosecutors Part, established pursuant ¹[to
3 this act,]¹ P.L. , c. (C.) (now pending before the Legislature as
4 this bill), of the Public Employees' Retirement System, established
5 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject
6 to the same membership and benefit provisions as State employees,
7 except as provided by P.L. , c. (now pending before the Legislature
8 as this bill). Membership in the retirement system shall be a condition
9 of employment for service as a prosecutor. Any service credit which
10 has been established in the Public Employees' Retirement System by a
11 prosecutor prior to the effective date of this act shall be established in
12 the Prosecutors Part without further assessment of cost to the
13 prosecutor.

14 b. All outstanding obligations, such as loans, purchases and other
15 arrearage, shall be satisfied by a prosecutor as previously scheduled
16 for payment to the Public Employees' Retirement System.

17
18 3. a. Notwithstanding the provisions of section 25 of P.L.1954,
19 c.84 (C.43:15A-25) to the contrary, a separate account shall be
20 established in the annuity savings fund for each prosecutor and all
21 contributions based on the prosecutor's salary shall be credited to this
22 account.

23 b. A prosecutor shall contribute at a rate established by the board,
24 which contribution shall be deducted from the salary at the time or
25 times it is paid, and which shall be exclusive of any other contribution
26 required of the prosecutor for Social Security, contributory death
27 benefits or deductions for any other purpose.

28 c. A prosecutor who is enrolled on the basis of other public service
29 before, during, or after service as a prosecutor shall contribute for
30 such other service at the rate of contribution required of other
31 members as provided by section 25.

32
33 4. a. Any member of the Prosecutors Part who has attained age
34 55 years may retire on a service retirement allowance by filing with the
35 retirement system a written application, duly attested, stating at what
36 time subsequent to the execution and filing thereof the member desires
37 to be retired. The board of trustees shall retire the member at the time
38 specified or at such other time within one month after the date so
39 specified as the board finds advisable. Any prosecutor in service who
40 attains age 70 years shall be retired by the board of trustees on a
41 service retirement allowance forthwith on the first day of the next
42 calendar month or at such time within one month thereafter as it finds
43 advisable, except that a prosecutor attaining age 70 years may be
44 continued in service on an annual basis upon written notice to the
45 retirement system by the Attorney General or the Board of Chosen
46 Freeholders of the county employing the prosecutor.

1 b. Upon retirement for service a prosecutor shall receive a service
2 retirement allowance which shall consist of:

3 (1) An annuity which shall be the actuarial equivalent of the
4 prosecutor's aggregate contributions and

5 (2) A pension in the amount which, when added to the prosecutor's
6 annuity, will provide a total retirement allowance of one-sixtieth of
7 average final compensation multiplied by the number of years of
8 creditable service, or 2% of average final compensation multiplied by
9 the number of years of creditable service up to 30 plus 1% of average
10 final compensation multiplied by the number of years of creditable
11 service over 30, or 50% of final compensation if the prosecutor has
12 established 20 or more years of creditable service, whichever is
13 greater.

14 c. Any prosecutor as of the effective date of P.L. , c. (C.)
15 (now pending before the Legislature as this bill) who has 20 or more
16 years of creditable service at the time of retirement shall be entitled to
17 receive a retirement allowance equal to 50% of final compensation
18 plus, in the case of a prosecutor required to retire pursuant to the
19 provisions of subsection a. of this section, 3% of final compensation
20 multiplied by the number of years of creditable service over 20 but not
21 over 25.

22 d. Upon the receipt of proper proofs of the death of a prosecutor
23 who has retired on a service retirement allowance, there shall be paid
24 to the prosecutor's beneficiary an amount equal to one-half of the
25 compensation upon which contributions by the prosecutor to the
26 annuity savings fund were based in the last year of creditable service.
27

28 5. Should a member of the Prosecutors Part resign after having
29 established 25 years of creditable service, the prosecutor may elect
30 "special retirement," provided, that such election is communicated by
31 the prosecutor to the retirement system by filing a written application,
32 duly attested, stating at what time subsequent to the execution and
33 filing thereof the prosecutor desires to be retired. The prosecutor shall
34 receive, in lieu of the payment provided in section 4 of ¹[this act,]¹
35 P.L. , c. (C.) (now pending before the Legislature as this bill),
36 a retirement allowance which shall consist of:

37 (1) An annuity which shall be the actuarial equivalent of the
38 prosecutor's aggregate contributions ¹[,]¹ and

39 (2) A pension in the amount which, when added to the prosecutor's
40 annuity, will provide a total retirement allowance of 65% of final
41 compensation, plus 1% of final compensation multiplied by the number
42 of years of creditable service over 25 but not over 30.

43 The board of trustees shall retire the prosecutor at the time
44 specified or at such other time within one month after the date so
45 specified as the board finds advisable.

46 Upon the receipt of proper proofs of the death of such a retirant,

1 there shall be paid to the retirant's beneficiary an amount equal to
2 one-half of the final compensation received by the prosecutor.

3

4 6. Should a prosecutor, after having established 10 years of
5 creditable service, be separated voluntarily or involuntarily from the
6 service, before reaching age 55, and not by removal for cause on
7 charges of misconduct or delinquency, such person may elect to
8 receive the payments provided for in sections 4 or 5 of ¹[this act,]¹
9 P.L. , c. (C.) (now pending before the Legislature as this bill),
10 or a deferred retirement allowance, beginning on the first day of the
11 month following the prosecutor's attainment of age 55 and the filing
12 of an application therefor, which shall consist of:

13 (1) An annuity which shall be the actuarial equivalent of
14 prosecutor's aggregate contributions at the time of severance from the
15 service and

16 (2) A pension in the amount which, when added to the prosecutor's
17 annuity, will provide a total retirement allowance of 2% of final
18 compensation multiplied by the number of years of creditable service
19 up to 30 plus 1% of final compensation multiplied by the number of
20 years of creditable service over 30, provided that such inactive
21 prosecutor may elect to receive payments provided under sections 4
22 or 5 of ¹[this act,]¹ P.L. , c. (C.) (now pending before the
23 Legislature as this bill), if the prosecutor had qualified under that
24 section at the time of leaving service, except that in order to avail
25 himself or herself of the option, the prosecutor must exercise such
26 option at least 30 days before the effective date of retirement. If such
27 inactive prosecutor shall die before attaining age 55, the prosecutor's
28 aggregate contributions shall be paid in accordance with subsection c.
29 of section 41 of P.L.1954, c.84 (C.43:15A-41). If such inactive
30 ¹[member] prosecutor¹ shall die after attaining age 55 but before
31 filing an application for retirement benefits pursuant to this section or
32 section 5 of ¹[this act,]¹ P.L. , c. (c.) (now pending before the
33 Legislature as this bill) and has not withdrawn his or her aggregate
34 contributions, or in the event of death after retirement, an amount
35 equal to the accumulated deductions plus one-half of the compensation
36 upon which contributions by the prosecutor to the annuity savings
37 fund were based in the last year of creditable service shall be paid to
38 such prosecutor's beneficiary.

39 Any prosecutor who, having elected to receive a deferred
40 retirement allowance, again becomes a prosecutor covered by the
41 Prosecutors Part of the retirement system while under the age of 55,
42 shall thereupon be reenrolled. If the prosecutor had discontinued
43 service for more than two consecutive years, subsequent contributions
44 shall be at the prosecutor's former rate increased for the years of
45 inactive membership. The prosecutor shall be credited with all service
46 as a member of the Prosecutors Part standing to the prosecutor's credit

1 at the time of an election to receive a deferred retirement allowance.

2

3 7. The State shall be liable for any increased pension costs to a
4 county as a result of the enrollment of prosecutors, first assistant
5 prosecutors and assistant prosecutors in the Prosecutors Part,
6 established pursuant to ¹[this act,]¹ P.L. , c. (C.) (now pending
7 before the Legislature as this bill), of the Public Employees'
8 Retirement System, established pursuant to P.L.1954, c.84
9 (C.43:15A-1 et seq.). The actuary for the Public Employees'
10 Retirement System shall determine the unfunded accrued liability for
11 the Prosecutors Part of the retirement system and the benefits
12 provided for prosecutors under that part in the same manner provided
13 for the determination of the unfunded accrued liability of the
14 retirement system by section 24 of P.L.1954, c.84 (C.43:15A-24).
15 This unfunded accrued liability shall be amortized in the manner
16 provided by section 24 over an amortization period of 30 years.

17

18 8. This act shall take effect immediately.

19

20

21

22

23 _____
Creates Prosecutors Part with other benefits in PERS.

CHAPTER 366

AN ACT concerning retirement benefits for county prosecutors, certain assistant and deputy attorneys general, certain criminal investigators and the Director of the Division of Criminal Justice in the Department of Law and Public Safety and supplementing P.L.1954, c.84 (C.43:15A-1 et seq.).

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

C.43:15A-155 Definitions relative to Prosecutors Part in PERS.

1. As used in this act, P.L.2001, c.366 (C.43:15A-155 et seq.):

"Service" includes service as (1) a county prosecutor, first assistant prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et seq.; (2) the Director of the Division of Criminal Justice in the Department of Law and Public Safety; (3) an assistant director, deputy director, assistant attorney general or deputy attorney general in that department and assigned to that division pursuant to P.L.1970, c.74 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of Criminal Justice in the Department of Law and Public Safety who is not eligible for enrollment in the Police and Firemen's Retirement System, established pursuant to P.L.1944, c.255 (C.43:16A-1 et seq.).

"Beneficiary" means any person entitled to receive any benefit pursuant to the provisions of this act by reason of the death of a prosecutor or retiree.

"Final compensation" means the annual salary received by the member of the Prosecutors Part at the time of retirement or death.

"Retiree" means any former member of the Prosecutors Part receiving a pension or retirement allowance as provided by this act.

"Prosecutor" means (1) a county prosecutor, first assistant prosecutor or assistant prosecutor as defined in N.J.S.2A:158-1 et seq.; (2) the Director of the Division of Criminal Justice in the Department of Law and Public Safety; (3) an assistant director, deputy director, assistant attorney general or deputy attorney general in that department and assigned to that division pursuant to P.L.1970, c.74 (C.52:17B-97 et seq.); or (4) a criminal investigator in the Division of Criminal Justice in the Department of Law and Public Safety who is not eligible for enrollment in the Police and Firemen's Retirement System.

C.43:15A-156 Prosecutors to be members of Prosecutors Part.

2. a. Notwithstanding the provisions of any other law, prosecutors shall be members of the Prosecutors Part, established pursuant to P.L.2001, c.366 (C.43:15A-155 et seq.), of the Public Employees' Retirement System, established pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), and shall be subject to the same membership and benefit provisions as State employees, except as provided by P.L.2001, c.366 (C.43:15A-155 et seq.). Membership in the retirement system shall be a condition of employment for service as a prosecutor. Any service credit which has been established in the Public Employees' Retirement System by a prosecutor prior to the effective date of this act shall be established in the Prosecutors Part without further assessment of cost to the prosecutor.

b. All outstanding obligations, such as loans, purchases and other arrearage, shall be satisfied by a prosecutor as previously scheduled for payment to the Public Employees' Retirement System.

C.43:15A-157 Separate account for each prosecutor, rate.

3. a. Notwithstanding the provisions of section 25 of P.L.1954, c.84 (C.43:15A-25) to the contrary, a separate account shall be established in the annuity savings fund for each prosecutor and all contributions based on the prosecutor's salary shall be credited to this account.

b. A prosecutor shall contribute at a rate established by the board, which contribution shall be deducted from the salary at the time or times it is paid, and which shall be exclusive of any other contribution required of the prosecutor for Social Security, contributory death benefits or deductions for any other purpose.

c. A prosecutor who is enrolled on the basis of other public service before, during, or after service as a prosecutor shall contribute for such other service at the rate of contribution required of other members as provided by section 25.

C.43:15A-158 Retirement on service retirement allowance, formula.

4. a. Any member of the Prosecutors Part who has attained age 55 years may retire on a service retirement allowance by filing with the retirement system a written application, duly attested, stating at what time subsequent to the execution and filing thereof the member desires to be retired. The board of trustees shall retire the member at the time specified or at such other time within one month after the date so specified as the board finds advisable. Any prosecutor in service who attains age 70 years shall be retired by the board of trustees on a service retirement allowance forthwith on the first day of the next calendar month or at such time within one month thereafter as it finds advisable, except that a prosecutor attaining age 70 years may be continued in service on an annual basis upon written notice to the retirement system by the Attorney General or the Board of Chosen Freeholders of the county employing the prosecutor.

b. Upon retirement for service a prosecutor shall receive a service retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of the prosecutor's aggregate contributions and

(2) A pension in the amount which, when added to the prosecutor's annuity, will provide a total retirement allowance of one-sixtieth of average final compensation multiplied by the number of years of creditable service, or 2% of average final compensation multiplied by the number of years of creditable service up to 30 plus 1% of average final compensation multiplied by the number of years of creditable service over 30, or 50% of final compensation if the prosecutor has established 20 or more years of creditable service, whichever is greater.

c. Any prosecutor as of the effective date of P.L.2001, c.366 (C.43:15A-155 et seq.) who has 20 or more years of creditable service at the time of retirement shall be entitled to receive a retirement allowance equal to 50% of final compensation plus, in the case of a prosecutor required to retire pursuant to the provisions of subsection a. of this section, 3% of final compensation multiplied by the number of years of creditable service over 20 but not over 25.

d. Upon the receipt of proper proofs of the death of a prosecutor who has retired on a service retirement allowance, there shall be paid to the prosecutor's beneficiary an amount equal to one-half of the compensation upon which contributions by the prosecutor to the annuity savings fund were based in the last year of creditable service.

C.43:15A-159 "Special retirement" after 25 years of creditable service. formula.

5. Should a member of the Prosecutors Part resign after having established 25 years of creditable service, the prosecutor may elect "special retirement," provided, that such election is communicated by the prosecutor to the retirement system by filing a written application, duly attested, stating at what time subsequent to the execution and filing thereof the prosecutor desires to be retired. The prosecutor shall receive, in lieu of the payment provided in section 4 of P.L.2001, c.366 (C.43:15A-158), a retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of the prosecutor's aggregate contributions and

(2) A pension in the amount which, when added to the prosecutor's annuity, will provide a total retirement allowance of 65% of final compensation, plus 1% of final compensation multiplied by the number of years of creditable service over 25 but not over 30.

The board of trustees shall retire the prosecutor at the time specified or at such other time within one month after the date so specified as the board finds advisable.

Upon the receipt of proper proofs of the death of such a retirant, there shall be paid to the retirant's beneficiary an amount equal to one-half of the final compensation received by the prosecutor.

C.43:15A-160 Payments for separation after 10 years of service before age 55; deferred retirement.

6. Should a prosecutor, after having established 10 years of creditable service, be separated voluntarily or involuntarily from the service, before reaching age 55, and not by removal for cause on charges of misconduct or delinquency, such person may elect to receive the payments provided for in sections 4 or 5 of P.L.2001, c.366 (C.43:15A-158 or C.43:15A-159), or a

deferred retirement allowance, beginning on the first day of the month following the prosecutor's attainment of age 55 and the filing of an application therefor, which shall consist of:

(1) An annuity which shall be the actuarial equivalent of prosecutor's aggregate contributions at the time of severance from the service and

(2) A pension in the amount which, when added to the prosecutor's annuity, will provide a total retirement allowance of 2% of final compensation multiplied by the number of years of creditable service up to 30 plus 1% of final compensation multiplied by the number of years of creditable service over 30, provided that such inactive prosecutor may elect to receive payments provided under sections 4 or 5 of P.L.2001, c.366 (C.43:15A-158 or C.43:15A-159), if the prosecutor had qualified under that section at the time of leaving service, except that in order to avail himself or herself of the option, the prosecutor must exercise such option at least 30 days before the effective date of retirement. If such inactive prosecutor shall die before attaining age 55, the prosecutor's aggregate contributions shall be paid in accordance with subsection c. of section 41 of P.L.1954, c.84 (C.43:15A-41). If such inactive prosecutor shall die after attaining age 55 but before filing an application for retirement benefits pursuant to this section or section 5 of P.L.2001, c.366 (C.43:15A-159) and has not withdrawn his or her aggregate contributions, or in the event of death after retirement, an amount equal to the accumulated deductions plus one-half of the compensation upon which contributions by the prosecutor to the annuity savings fund were based in the last year of creditable service shall be paid to such prosecutor's beneficiary.

Any prosecutor who, having elected to receive a deferred retirement allowance, again becomes a prosecutor covered by the Prosecutors Part of the retirement system while under the age of 55, shall thereupon be reenrolled. If the prosecutor had discontinued service for more than two consecutive years, subsequent contributions shall be at the prosecutor's former rate increased for the years of inactive membership. The prosecutor shall be credited with all service as a member of the Prosecutors Part standing to the prosecutor's credit at the time of an election to receive a deferred retirement allowance.

C.43:15A-161 State liability for increased county pension costs.

7. The State shall be liable for any increased pension costs to a county as a result of the enrollment of prosecutors, first assistant prosecutors and assistant prosecutors in the Prosecutors Part, established pursuant to P.L.2001, c.366 (C.43:15A-155 et seq.), of the Public Employees' Retirement System, established pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.). The actuary for the Public Employees' Retirement System shall determine the unfunded accrued liability for the Prosecutors Part of the retirement system and the benefits provided for prosecutors under that part in the same manner provided for the determination of the unfunded accrued liability of the retirement system by section 24 of P.L.1954, c.84 (C.43:15A-24). This unfunded accrued liability shall be amortized in the manner provided by section 24 over an amortization period of 30 years.

8. This act shall take effect immediately.

Approved January 7, 2002.