53: 5A-3 et al

### LEGISLATIVE HISTORY CHECKLIST

NJSA:

53:5A-3 et al

(State Police Retirement

System--amend survivor's

benefits)

LAWS OF:

1985

CHAPTER:

355

BILL NO:

S2164

Sponsor(s):

Orechio

Date Introduced:

September 13, 1984

Committee: Assembly:

State Government, Civil Service, Elections, Pensions and

Veterans' Affairs.

Senate:

State Government, Federal and Interstate Relations and

Veterans' Affairs.

Amended during passage:

Yes

Amendments during passage denoted

by asterisks.

Date of Passage:

Assembly:

June 20, 1985

Senate:

February 14, 1985

Date of Approval: November 12, 1985

Following statements are attached if available:

Sponsor statement:

Yes

(Below)

Committee statement:

**Assembly** 

Yes

Senate

No

Fiscal Note:

No

Veto Message:

No

Message on Signing:

No Yes

Following were printed:

Reports:

No

Hearings:

No

Sponsor's statement:

(OVER)

This bill extends coverage for survivor's pension benefits under the State Police Retirement System to widowers of members and retirants of the SPRS. Under current law, these benefits are payable only to the widow, children and parents of the deceased member or retirant.

11-12-85

### [OFFICIAL COPY REPRINT]

### SENATE, No. 2164

# STATE OF NEW JERSEY

#### INTRODUCED SEPTEMBER 13, 1984

### By Senator ORECHIO

Referred to Committee on State Government, Federal and Interstate Relations and Veterans Affairs

An Act concerning the spouses of members of and retirants under the State Police Retirement System of New Jersey and amending P. L. 1965, c. 89.

- 1 Be it enacted by the Senate and General Assembly of the State
- 2 of New Jersey:
- 1. Section 3 of P. L. 1965, c. 89 (C. 53:5A-3) is amended to read
- 2 as follows:
- 3 3. As used in this act:
- 4 a. "Aggregate contributions" means the sum of all the amounts,
- 5 deducted from the salary of a member or contributed by him or on
- 6 his behalf, standing to the credit of his individual account in the
- 7 Annuity Savings Fund. Interest credited on contributions to the
- 8 former "State Police Retirement and Benevolent Fund" shall be
- 9 included in a member's aggregate contributions.
- 10 b. "Annuity" means payments for life derived from the aggre-
- 11 gate contributions of a member.
- 12 c. "Annuity reserve" means the present value of all payments
- 13 to be made on account of any annuity or benefit in lieu of an annuity,
- 14 computed upon the basis of such mortality tables recommended
- 15 by the actuary as the board of trustees adopts and regular interest.
- d. "Beneficiary" means any person entitled to receive any benefit
- 17 pursuant to the provisions of this act by reason of the death of a
- 18 member or retirant.

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

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Assembly committee amendment adopted April 29, 1985,

- e. "Board of trustees" or "board" means the board provided 19 20 for in section 30 of this act.
- 21 f. "Child" means a deceased member's or retirant's unmarried 22 child either (a) under the age of 18 or (b) of any age who, at the
- 23time of the member's or retirant's death, is disabled because of
- 24 mental retardation or physical incapacity, is unable to do any
- 25
- substantial, gainful work because of the impairment and his impairment has lasted or can be expected to last for a continuous period 26
- 27 of not less than 12 months, as affirmed by the medical board.
- g. "Creditable service" means service rendered for which credit 28
- is allowed on the basis of contributions made by the member or the 29
- State. 30
- h. "Parent" means the parent of a member who was receiving at 31
- least one-half of his support from the member in the 12-month 32
- 33 period immediately preceding the member's death or the accident
- 34 which was the direct cause of the member's death. The dependency
- of such a parent will be considered terminated by marriage of the 35
- 36 parent subsequent to the death of the member.
- 37 i. "Final compensation" means the average compensation re-
- ceived by the member in the last 12 months of creditable service 38
- 39 preceding his retirement or death. Such term includes the value
- 40 of the member's maintenance allowance for this same period.
- j. "Final salary" means the average salary received by the 41
- 42 member in the last 12 months of creditable service preceding his
- 43 retirement or death. Such term shall not include the value of the
- member's maintenance allowance. 44
- k. "Fiscal year" means any year commencing with July 1 and 45
- 46 ending with June 30 next following.
- 1. "Medical board" means the board of physicians provided for 47
- 48 in section 30 of this act.
- 49 m. "Member" means any full-time, commissioned officer, non-
- commissioned officer or trooper of the Division of State Police of 50
- the Department of Law and Public Safety of the State of New 51
- Jersey enrolled in the retirement system established by this act. 52
- n. "Pension" means payment for life derived from contributions 53
- by the State. 54
- 55 o. "Pension reserve" means the present value of all payments
- to be made on account of any pension or benefit in lieu of any 56
- pension computed on the basis of such mortality tables recom-57
- mended by the actuary as shall be adopted by the board of trustees 58
- 59 and regular interest.
- p. "Regular interest" means interest as determined annually by 60
- 61 the State Treasurer after consultation with the Directors of the

- 62 Divisions of Investment and Pensions and the actuary of the
- 63 system. It shall bear a reasonable relationship to the percentage
- 64 rate of earnings on investments but shall not exceed 105% of such
- 65 percentage rate.
- q. "Retirant" means any former member receiving a retirement allowance as provided by this act.
- 68 r. "Retirement allowance" means the pension plus the annuity.
- 69 s. "State Police Retirement System of New Jersey," herein also
- 70 referred to as the "retirement system," is the corporate name of
- 71 the arrangement for the payment of retirement allowances and of
- 72 the benefits under the provisions of this act including the several
- 73 funds placed under said system. By that name, all of its business
- 74 shall be transacted, its funds invested, warrants for moneys drawn,
- 75 and payments made and all of its cash and securities and other
- 76 property held. All assets held in the name of the former "State
- 77 Police Retirement and Benevolent Fund" shall be transferred to
- 78 the retirement system established by this act.
- 79 t. ["Widow"] "Surviving spouse" means the [woman] person to
- 80 whom a member or a retirant was married [before he attained 55]
- 81 years of age and to whom he continued to be married until on the
- 82 date of [his] the death of the member or retirant. The dependency
- 83 of such a [widow] surviving spouse will be considered terminated
- 84 by the marriage of the [widow] surviving spouse subsequent to
- 85 the member's or the retirant's death.
- 86 u. "Compensation" for purposes of computing pension contribu-
- 87 tions means the base salary, for services as a member as defined
- 88 in this act, which is in accordance with established salary policies of 89 the State for all employees in the same position but shall not include
- ob the State for all employees in the same position sat shall not merade
- 90 individual salary adjustments which are granted primarily in 91 anticipation of the member's retirement or additional remuneration
- 92 for performing temporary duties beyond the regular work day or
- 93 shift.
- 2. Section 12 of P. L. 1965, c. 89 (C. 53:5A-12) is amended to read
- 2 as follows:
- 3 12. a. Upon the receipt of proper proofs of the death in active
- 4 service of a member of the retirement system on account of which
- 5 no accidental death benefit is payable, there shall be paid to This
- 6 widow the surviving spouse a pension of 50% of final compensation
- 7 for the use of [herself] that spouse and children of the deceased, to
- 8 continue [during her widowhood] for so long as the person qualifies
- 9 as a "surviving spouse" for the purposes of this act; if there is no
- 10 surviving [widow] spouse or in case the [widow] spouse dies or
- 11 remarries, 20% of final compensation will be payable to one surviv-

- 12 ing child, 35% of final compensation to two surviving children in
- 13 equal shares and if there be three or more children, 50% of final
- 14 compensation will be payable to such children in equal shares.
- 15 In the event of death occurring in the first year of creditable
- 16 service, the benefits, payable pursuant to this subsection, shall be
- 17 computed at the annual rate of compensation.
- 18 If there is no surviving [widow] spouse or child, 25% of final
- 19 compensation will be payable to one surviving parent or 40% of
- 20 final compensation will be payable to two surviving parents in
- 21 equal shares.
- 22 b. If there is no surviving [widow] spouse, child or parent, there
- 23 shall be paid to any other beneficiary of the deceased member his
- 24 aggregate contributions at the time of death.
- 25 c. In no case shall the death benefit provided in subsection a. be
- 26 less than that provided under subsection b.
- d. In addition to the foregoing benefits payable under subsection
- 28 a. or b., there shall also be paid in one sum to the member's bene-
- 29 ficiary, an amount equal to  $3\frac{1}{2}$  times final compensation.
- 30 e. (Deleted by amendment. P. L. 1971, c. 181.)
- 31 f. (Deleted by amendment. P. L. 1971, c. 181.)
- 1 3. Section 14 of P. L. 1965, c. 89 (C. 53:5A-14) is amended to
- 2 read as follows:
- 3 14. a. Upon the death of a member in active service as a result of
- 4 an accident met in the actual performance of duty at some definite
- 5 time and place, and such death was not the result of the member's
- 6 willful negligence, an accidental death benefit shall be payable if a
- 7 report of the accident is filed in the office of the Division of State
- 8 Police within 60 days next following the accident, but the board of
- 9 trustees may waive such time limit, for a reasonable period, if in
- 10 the judgment of the board the circumstances warrant such action.
- 11 No such application shall be valid or acted upon unless it is filed
- 12 in the office of the retirement system within five years of the date of
- 13 such death.
- 14 b. Upon the receipt of proper proofs of the death of a member
- 15 on account of which an accidental death benefit is payable, there
- 16 shall be paid to [his widow] the surviving spouse a pension of 50%
- 17 of final compensation for the use of [herself] that spouse and
- 18 children of the deceased, to continue [during her widowhood] for
- 19 so long as the person qualifies as a "surviving spouse" for the
- 20 purposes of this act; if there is no surviving [widow] spouse or in
- 21 case the [widow] spouse dies or remarries, 20% of final compensa-
- 22 tion will be payable to one surviving child, 35% of final compensa-
- 23 tion to two surviving children in equal shares and if there be three

- 24 or more children, 50% of final compensation will be payable to such
- 25 children in equal shares.
- 26 If there is no surviving [widow] spouse or child, 25% of final
- 27 compensation will be payable to one surviving parent or 40% of
- 28 final compensation will be payable to two surviving parents in equal
- 29 shares.
- 30 In the event of accidental death occurring in the first year of
- 31 creditable service, the benefits, payable pursuant to this subsection,
- 32 shall be computed at the annual rate of compensation.
- 33 c. If there is no surviving [widow] spouse, child or parent, there
- 34 shall be paid to any other beneficiary of the deceased member, his
- 35 aggregate contributions at the time of death.
- d. In no case shall the death benefits provided in subsection b.
- 37 be less than that provided under subsection c.
- 38 e. In addition to the foregoing benefits payable under subsection
- 39 a. or b., there shall also be paid in one sum to the member's bene-
- 40 ficiary, an amount equal to  $3\frac{1}{2}$  times final compensation.
- 41 f. Deleted by amendment.
- 42 g. Deleted by amendment.
- 4. Section 25 of P. L. 1965, c. 89 (C. 53:5A-25) is amended to
- 2 read as follows:
- 3 25. Upon the death after retirement of a member of the retire-
- 4 ment system, there shall be paid to This widow the surviving spouse
- 4A a pension of 50% of final compensation for the use of [herself] that
- 5 spouse and children of the deceased, to continue [during her widow-
- 6 hood for so long as the person qualifies as a "surviving spouse" for
- 7 the purposes of this act; if there is no surviving [widow] spouse or
- 8 in case the [widow] spouse dies or remarries 20% of final com-
- 9 pensation will be payable to one surviving child, 35% of final com-
- 10 pensation to two surviving children in equal shares and if there be
- 11 three or more children, 50% of final compensation will be payable
- 12 to such children in equal shares.
- 13 b. (Deleted by amendment. P. L. 1980, c. 55.)
- 1 5. This act shall take effect immediately \*and shall be retroactive
- 2 to March 19, 1985\*.

- 24 or more children, 50% of final compensation will be payable to such
- 25 children in equal shares.
- 26 If there is no surviving [widow] spouse or child, 25% of final
- 27 compensation will be payable to one surviving parent or 40% of
- 28 final compensation will be payable to two surviving parents in equal
- 29 shares.
- 30 In the event of accidental death occurring in the first year of
- 31 creditable service, the benefits, payable pursuant to this subsection,
- 32 shall be computed at the annual rate of compensation.
- 33 c. If there is no surviving [widow] spouse, child or parent, there
- 34 shall be paid to any other beneficiary of the deceased member, his
- 35 aggregate contributions at the time of death.
- d. In no case shall the death benefits provided in subsection b.
- 37 be less than that provided under subsection c.
- 38 e. In addition to the foregoing benefits payable under subsection
- 39 a. or b., there shall also be paid in one sum to the member's bene-
- 40 ficiary, an amount equal to 3½ times final compensation.
- 41 f. Deleted by amendment.
- 42 g. Deleted by amendment.
- 4. Section 25 of P. L. 1965, c. 89 (C. 53:5A-25) is amended to
- 2 read as follows:
- 3 25. Upon the death after retirement of a member of the retire-
- 4 ment system, there shall be paid to This widow the surviving spouse
- 4A a pension of 50% of final compensation for the use of [herself] that
- 5 spouse and children of the deceased, to continue [during her widow-
- 6 hood for so long as the person qualifies as a "surviving spouse" for
- 7 the purposes of this act; if there is no surviving [widow] spouse or
- 8 in case the [widow] spouse dies or remarries 20% of final com-
- 9 pensation will be payable to one surviving child, 35% of final com-
- 10 pensation to two surviving children in equal shares and if there be
- 11 three or more children, 50% of final compensation will be payable
- 12 to such children in equal shares.
- 13 b. (Deleted by amendment. P. L. 1980, c. 55.)
- 1 5. This act shall take effect immediately.

# Sponsa, STATEMENT

This bill extends coverage for survivor's pension benefits under the State Police Retirement System to widowers of members and retirants of the SPRS. Under current law, these benefits are payable only to the widow, children and parents of the deceased member or retirant.

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In addition, the bill allows a surviving spouse to qualify for these benefits without regard to the age of the member or retirant at the time he was married to the spouse, requiring only that the parties have been married on the date of the member's or retirant's death. The current law requires that, to be eligible for a widow's pension, a woman must have been married to the deceased member or retirant before the latter attained 55 years of age and that they "continued to [have been] married until the date of his death."

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# ASSEMBLY STATE GOVERNMENT, CIVIL SERVICE, ELECTIONS, PENSIONS AND VETERANS AFFAIRS COMMITTEE

STATEMENT TO

### SENATE, No. 2164

with Assembly committee amendments

## STATE OF NEW JERSEY

DATED: APRIL 29, 1985

This bill extends coverage for survivor's pension benefits under the State Police Retirement System to widowers of members and retirants of the SPRS. Under current law, these benefits are payable only to the widow, children and parents of the deceased member or retirant.

In addition, the bill allows a surviving spouse to qualify for these benefits without regard to the age of the member or retirant at the time he was married to the spouse, requiring only that the parties have been married on the date of the member's or retirant's death. The current law requires that, to be eligible for a widow's pension, a woman must have been married to the deceased member or retirant before the latter attained 55 years of age and that they "continued to (have been) married until the date of his death."

### COMMITTEE AMENDMENT:

The committee amended the bill to make it retroactive to March 19, 1985.

#### COMMITTEE ACTION

The committee reported the bill, as amended, favorably.

Bill Signings - S-2531, S-2871, A-2117, A-2748, S-2697, S-2716 A-3463, A-3488 S-2164 and A-3316 Page 4 November 13, 1985

A-3463, sponsored by Assemblyman Thomas H. Paterniti, D-Middlesex, which directs the Division on Aging to prepare and distribute information regarding State and Federal programs which benefit older persons.

A-3488, sponsored by Assemblyman Joseph L. Bocchini, D-Mercer, which permits a person who files a statement of claim with an insurance company to verify the services rendered by certification, rather than under oath.

S-2164, sponsored by Senate President Carmen A. Orechio, D-Essex, which extends State Police Retirement System (SPRS) survivors benefits to widows who married SPRS members age 55 or older, and to all widowers. The current law limited benefits to widows who married before the member turned 55, and to children and parents of the deceased.

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