

18A:66-170 and 18A:66-171

LEGISLATIVE HISTORY CHECKLIST

(University of Medicine and Dentistry - exempts certain employees from retirement system)

NJSA 18A:66-170 and 18A:66-171

LAWS 1982

CHAPTER 126

Bill No. A1000

Sponsor(s) Karcher

Date Introduced March 1, 1982

Committee: Assembly State Govt., Civil Service, Elections, Pensions & Veterans Affairs

Senate -----

Amended during passage Yes

~~NO~~ Substituted for S1502 (not attached since identical to A1000). Amendments during passage denoted by asterisks.

Date of Passage: Assembly June 21, 1982

Senate June 24, 1982

Date of approval Sept. 2, 1982

Following statements are attached if available:

Sponsor statement Yes ~~NO~~

Committee Statement: Assembly Yes ~~NO~~

Senate Yes ~~No~~

Fiscal Note Yes ~~No~~

Veto Message Yes ~~No~~

Message on signing Yes ~~No~~

Following were printed:

Reports Yes ~~No~~

Hearings Yes ~~No~~

ej 6/22/81 JUL 1983

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ASSEMBLY, No. 1000

STATE OF NEW JERSEY

INTRODUCED MARCH 1, 1982

By Assemblyman KARCHER

Referred to Committee on State Government, Civil Service,
Elections, Pensions and Veterans Affairs

AN ACT concerning eligibility of certain employees of the New Jersey College of Medicine and Dentistry for the alternate benefit program and amending P. L. 1969, c. 242.

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

1 1. Section 4 of P. L. 1969, c. 242 (C. 18A:66-170) is amended
2 to read as follows:

3 4. All full-time officers and all full-time members of the faculty
4 of the New Jersey College of Medicine and Dentistry, Rutgers,
5 The State University, the Newark College of Engineering, the
6 State and county colleges and all regularly appointed teaching
7 and administrative staff members in applicable academic positions
8 as determined by the Board of Higher Education, shall be eligible
9 and shall participate in the alternate benefit program except those
10 persons appointed in a part-time or temporary capacity, *physicians*
11 *and dentists* ***[employed]*** **holding employment* in positions*
11A *titled intern, resident or fellow on or after the effective date of this*
12 *amendatory act*, persons compensated on a fee basis, persons tem-
13 porarily in the United States under an F or J visa and members
14 of the Teachers' Pension and Annuity Fund, the Public Employ-
15 ees' Retirement System, the Police and Firemen's Retirement Sys-
16 tem or the Group Annuity Plan who did not elect to transfer to the
17 alternate benefit program in accordance with the provisions of
18 chapters 64C or 65 of Title 18A of the New Jersey Statutes, P. L.
19 1967, c. 278 or c. 281, or P. L. 1968, c. 181.

20 Any person participating in the alternate benefit program shall
21 be ineligible for membership in the Teachers' Pension and Annuity
22 Fund, the Public Employees' Retirement System, the Police and

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 amendments adopted June 14, 1982.

23 Firemen's Retirement System or the Group Annuity Plan and any
 24 person electing to participate in the alternate benefit program shall
 25 thereby waive all rights and benefits provided by the Teachers'
 26 Pension and Annuity Fund, the Public Employees' Retirement
 27 System, the Police and Firemen's Retirement System or the Group
 28 Annuity Plan as a member of said fund, system or plan except as
 28A herein and otherwise provided by law or under terms of the Group
 28B Annuity Plan.

29 Any person required to participate in the alternate benefit pro-
 30 gram by reason of employment, who at the time of such employ-
 31 ment is a member of the Teachers' Pension and Annuity Fund,
 32 shall be permitted to transfer his membership in said fund to the
 32A Public Employees' Retirement System, by waiving all rights and
 33 benefits which would otherwise be provided by the alternate benefit
 34 program. Any such new employee who is a member of the Public
 35 Employees' Retirement System will be permitted to continue his
 36 membership in that system, by waiving all rights and benefits
 37 which would otherwise be provided by the alternate benefit pro-
 38 gram. Such waivers shall be accomplished by filing forms satisfac-
 39 tory to the Division of Pensions within 30 days of the beginning
 40 date of employment.

41 Any person receiving a benefit by reason of his retirement from
 42 any retirement or pension system of the State of New Jersey or
 43 any political subdivision thereof shall be ineligible to participate
 44 in the alternate benefit program.

45 No person eligible for participation in the alternate benefit pro-
 46 gram shall be eligible for, or receive, benefits under chapters 4 and
 47 8B of Title 43 of the Revised Statutes.

48 The alternate benefit programs established pursuant to this act
 49 are deemed to be pension funds or retirement systems for purposes
 50 of chapter 23 of the laws of 1968 (C. 43:3C-1).

1 2. Section 5 of P. L. 1969, c. 242 (C. 18A:66-171) is amended to
 2 read as follows:

3 5. Those faculty members, who are ineligible for participation
 4 in the alternate benefit program, and all other employees of all of
 5 the public institutions of higher education in the State, *except*
 6 *physicians and dentists ***[employed]*** *holding employment* in*
 7 *positions titled intern, resident or fellow on or after the effective*
 8 *date of this amendatory act*, shall be enrolled in the Public Em-
 9 ployees' Retirement System if they are otherwise eligible. Such
 10 eligibility shall extend to all part-time faculty members whose
 11 services have been renewed for the succeeding school year.

1 3. This act shall take effect immediately.

8 *act*, shall be enrolled in the Public Employees' Retirement System
9 if they are otherwise eligible. Such eligibility shall extend to all
10 part-time faculty members whose services have been renewed for
11 the succeeding school year.

1 3. This act shall take effect immediately.

STATEMENT

This amendment will exempt all Housestaff Officers (interns, residents and fellows) from the requirement of participation in either the Public Employees' Retirement System, NJSA 43:15A-1, et seq., or the alternate benefit plan under which they are presently covered as employees of the College of Medicine and Dentistry, set forth in NJSA 18A:66-167, et seq.

Housestaff Officers are employed for a finite period of years, usually 3 or less, and then gain employment outside of New Jersey public employment. No Housestaff Officer has ever sought retirement benefits from the public employee retirement system or the alternate plan provided for College of Medicine and Dentistry employees. It is desirable, therefore, for these employees, as well as the retirement system, that they be excluded.

A1000 (1982)

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

STATEMENT TO
ASSEMBLY, No. 1000
with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 1982

The purpose of this bill is to exempt interns, residents and fellows (housestaff officers) from membership in the alternate benefit program or Public Employees' Retirement System in which they presently are required to participate as employees of the University of Medicine and Dentistry of New Jersey.

The number of officers currently covered by the two retirement programs is roughly 500; about 300 other UMDNJ housestaff are, as first year appointees, considered temporary, and thus are excluded from coverage. The issue of exemption from membership in the retirement programs was an issue raised during previous negotiations between the housestaff union and the State Office of Employee Relations.

Housestaff officers are employed for a relatively short period of time—usually 3 years or less. The exemption of covered individuals in this group from membership in the retirement system or the alternate benefit program would eliminate a deduction from their paycheck during a period in which they are receiving limited income. Apparently no housestaff officer has ever collected benefits from either the retirement system or the alternate benefit plan.

The exemption of these officers from the alternate benefit program and retirement system will make them ineligible for accidental disability coverage and group life insurance coverage under those retirement programs. Staff has been informed that, as a result of negotiations with the State Employee Relations Office, first year appointees are to be covered by a separate program of group life insurance and accidental disability insurance and that this coverage would be extended to other housestaff if this bill becomes law. The provisions of this private-carrier coverage would be the same as those available to State employees under PERS.

This bill was introduced last session in the Senate as Senate Bill No. 1651 (1980). That bill passed in the Senate and was reported by the Assembly State Government Committee, but no action was taken on the bill by the General Assembly.

COMMITTEE AMENDMENTS:

The committee adopted amendments to make it clear that the provisions of the bill applying to anyone holding employment as a UMDNJ housestaff officer on and after the date on which the bill takes effect as law, and not only those newly hired after that date.
