

43:16A-3.4

LEGISLATIVE HISTORY CHECKLIST

MJSA 43:16A-3.4 (P & FRS member--election to public office--
maintain membership in system)

LAWS 1981 CHAPTER 30

Bill No. S1299

Sponsor(s) Hamilton and others

Date Introduced May 19, 1980

Committee: Assembly State Govt., Federal & Interstate Relations & Veterans Affairs

Senate State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes ~~No~~ Amendments denoted by asterisk
according to Governor's recommendations

Date of Passage: Assembly Sept. 29, 1980

Re-enacted Feb. 9, 1981

Senate July 28, 1980

Re-enacted Jan. 26, 1981

Date of approval Feb. 12, 1981

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* ~~Yes~~ ~~No~~

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

Report, mentioned in Governor's veto message, not planning on being issued.

[OFFICIAL COPY REPRINT]

SENATE, No. 1299

STATE OF NEW JERSEY

INTRODUCED MAY 19, 1980

By Senators HAMILTON, DWYER, WEISS, MUSTO and DODD

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

AN ACT concerning membership in the Police and Firemen's
Retirement System of certain elected officials and amending
and supplementing P. L. 1968, c. 325.

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

1 1. Section 1 of P. L. 1968, c. 325 (C. 43:16A-3.4) is amended to
2 read as follows:

3 1. *a.* Any member elected to public office may continue to be a mem-
4 ber during the time he remains in such public office [upon the
5 payment of any and all contributions required on behalf of members
6 and employers by section 15 of the act hereby supplemented, which
7 shall be made either in a lump sum or by installment payments of
8 amounts calculated in accordance with the requirements and regu-
9 lations of the board of trustees]. *The member's rate of contribution*
10 *to the retirement system as applied to his salary as an elected*
11 *official shall be the same rate, established pursuant to section 15*
12 *of P. L. 1944, c. 255 (C. 43:16A-15), he paid prior to assuming*
13 *elective office. The employer of the elected official shall make the*
14 *employer's normal contribution and any accrued liability contri-*
15 *bution to the retirement system on the basis of the member's salary*
16 *as an elected official as provided in section 15 of P. L. 1944, c.*
17 *255 (C. 43:16A-15) for so long as such member holds elective*
18 *office and remains a member of the retirement system.*

19 *b.* Any member of the retirement system who on the effective
20 date of this amendatory act is an elected official and whose member-
21 ship in the retirement system has been continued pursuant to the
22 provisions of the act of which this act is amendatory shall have
23 his rate of contribution thereto adjusted in accordance with the
24 provisions of subsection *a.* of this section. *The employer of the*

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

25 *elected official shall make contributions to the retirement system*
26 *on behalf of the member as provided in subsection a. of this section.*
27 *No member who realizes a reduction in his rate of contribution as*
28 *a result of subsection a. of this section shall be entitled to a refund*
29 *of any contributions made to the retirement system prior to the*
30 *effective date of this amendatory act which exceed the amount*
31 *he would have contributed had his rate of contribution as an elected*
32 *official enrolled in the retirement system been the same as provided*
33 *by this amendatory act.*

1 *2. (New section) *Any member of the retirement system who on*
2 *the effective date of this act is an elected official and whose member-*
3 *ship in the retirement system has been continued pursuant to the*
4 *provisions of the act to which this act is amendatory and supple-*
5 *mentary shall notify the Division of Pensions within 180 days of the*
6 *effective date of this act to adjust his rate of contribution as pro-*
7 *vided in this act. In the absence of notification to the division,*
8 *the member shall continue to be a member during the time he*
9 *remains in his public office only upon the payment of any and all*
10 *contributions required on behalf of member and employers by*
11 *section 15 of P. L. 1944, c. 255 (C. 43:16A-15), which shall be made*
12 *either in a lump sum or by installment payments of amounts cal-*
13 *culated in accordance with the requirements and regulations of*
14 *the board of trustees.**

1 ***[2.]*** *3.* This act shall take effect immediately.

SENATE, No. 1299

STATE OF NEW JERSEY

INTRODUCED MAY 19, 1980

By Senators HAMILTON, DWYER, WEISS, MUSTO and DODD

Referred to Committee on State Government, Federal and
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6 and employers by section 15 of the act hereby supplemented, which
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10 *to the retirement system as applied to his salary as an elected*
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17 *255 (C. 43:16A-15) for so long as such member holds elective*
18 *office and remains a member of the retirement system.*

19 *b.* Any member of the retirement system who on the effective
20 date of this amendatory act is an elected official and whose member-
21 ship in the retirement system has been continued pursuant to the
22 provisions of the act of which this act is amendatory shall have
23 his rate of contribution thereto adjusted in accordance with the
24 provisions of subsection a. of this section. *The employer of the*

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

25 *elected official shall make contributions to the retirement system*
26 *on behalf of the member as provided in subsection a. of this section.*
27 *No member who realizes a reduction in his rate of contribution as*
28 *a result of subsection a. of this section shall be entitled to a refund*
29 *of any contributions made to the retirement system prior to the*
30 *effective date of this amendatory act which exceed the amount*
31 *he would have contributed had his rate of contribution as an elected*
32 *official enrolled in the retirement system been the same as provided*
33 *by this amendatory act.*

1 2. This act shall take effect immediately.

STATEMENT

Under present law, a member of the Police and Firemen's Retirement System who is elected to office may continue his membership provided he makes both his and his employer's contributions. As a result, a heavy financial burden is imposed on the member. If such member upon his election decided to enroll in the Public Employees' Retirement System, his employer would be required to make a contribution on his behalf to that system. If the member continues his membership in the Police and Firemen's Retirement System, his employer is all but relieved of any pension obligation so long as the member remains an elected official.

This bill permits a member of the Police and Firemen's Retirement System who is elected to public office to continue his membership in the retirement system during his tenure and to maintain his rate of contribution at the same level prior to his election. The employer of the elected official will make the employer's contribution on the member's behalf to the Police and Firemen's Retirement System. In addition, members of the retirement system who have been elected to office and continued their membership on the basis of present law will have their rates of contribution adjusted in accordance with the provisions of this bill.

ASSEMBLY STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS
AFFAIRS COMMITTEE

STATEMENT TO
SENATE, No. 1299

STATE OF NEW JERSEY

DATED: SEPTEMBER 15, 1980

Under present law, a member of the Police and Firemen's Retirement System who is elected to office may continue his membership provided he makes both his and his employer's contributions on the salary he would have received as a policeman or fireman. If such a member upon his election decided to enroll in the Public Employees' Retirement System, however, his employer would be required to make a contribution on his behalf to PERS based on his salary as an elected official.

This bill permits a member of the Police and Firemen's Retirement System who is elected to public office to continue his membership in PFRS during his tenure and to maintain his rate of contribution, which shall be applicable to his salary as an elected official, at the same level as prior to his election. The employer of the elected official will make the employer's contribution on the member's behalf to the Police and Firemen's Retirement System.

The bill further provides that members of the retirement system who have been elected to office and continued their membership on the basis of present law will have their rates of contribution adjusted in accordance with the provisions of this bill, but will not be entitled to any refund if the adjustment results in a lower rate of contribution.

The Legislative Committee of the League of Municipalities opposes this legislation "because of the cost to the municipality, especially in this time of fiscal restraint...."

SENATE AMENDMENTS TO
SENATE, No. 1299

STATE OF NEW JERSEY

ADOPTED JANUARY 13, 1981

Amend page 1, title, line 2, after "amending", insert "and supplementing".

Amend page 2, section 1, after line 33, insert a new section as follows:

"2. (New section) Any member of the retirement system who on the effective date of this act is an elected official and whose membership in the retirement system has been continued pursuant to the provisions of the act to which this act is amendatory and supplementary shall notify the Division of Pensions within 180 days of the effective date of this act to adjust his rate of contribution as provided in this act. In the absence of notification to the division, the member shall continue to be a member during the time he remains in his public office only upon the payment of any and all contributions required on behalf of member and employers by section 15 of P. L. 1944, c. 255 (C. 43:16A-15), which shall be made either in a lump sum or by installment payments of amounts calculated in accordance with the requirements and regulations of the board of trustees."

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

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

December 11, 1980

SENATE BILL NO. 1299

To the Senate:

Pursuant to Article V, Section I, Paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 1299 with recommendations for amendment.

This bill would permit a member of the Police and Firemen's Retirement System (PFRS) to remain a member of the system without change in his rate of contribution after assuming elective public office. His new public employer would have to contribute the employer's share based on the member's previous salary plus any additional required contribution based on his salary as a public official. Under current law, the elected official may continue as a member of PFRS during his term of office but must make both his own and his employer's contributions.

The bill would benefit a small number of officials with long service in law enforcement who, under the present law, are having financial difficulty in making the required double contributions from their salaries as public officials.

As a matter of policy, I have opposed special pension bills and would prefer to see a more comprehensive treatment of inequities. The Department of Treasury will submit a report in the near future addressing such problems and suggesting changes in our present pension systems.

Comprehensive reform will take time, however, and these deserving officials should be given the opportunity to receive the benefits the Legislature has intended in this bill.

Accordingly, I return Senate Bill No. 1299 and recommend the following amendments:

Page 1, Title, Line 2:

After "amending" insert "and supplementing"

Page 2, Section 1, After Line 33:

Insert a new section as follows:

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

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"2. (New Section) Any member of the retirement system who on the effective date of this act is an elected official and whose membership in the retirement system has been continued pursuant to the provisions of the act to which this act is amendatory and supplementary shall notify the Division of Pensions within 180 days of the effective date of this act to adjust his rate of contribution as provided in this act. In the absence of notification to the division, the member shall continue to be a member during the time he remains in his public office only upon the payment of any and all contributions required on behalf of member and employers by Section 15 of P.L. 1944, c.255 (C.43:16A-15), which shall be made either in a lump sum or by installment payments of amounts calculated in accordance with the requirements and regulation of the board of trustees."

Respectfully,

/s/ Brendan Byrne

GOVERNOR

[seal]

Attest:

/s/ Harold L. Hodes

CHIEF OF STAFF, SECRETARY

FEBRUARY 13, 1981

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A-86, sponsored by W. Cary Edwards (R-Bergen), which amends the Municipal Land Use Law to require every municipality to prepare a storm water management plan and to adopt a storm water control ordinance. The intent of the law is to make storm water control an integral part of a municipality's master planning and such a municipal storm water management plan would have to conform to state, county, soil conservation district and federal regulations.

A-112, sponsored by Thomas A. Gallo (D-Hudson), which permits certain undersheriffs to purchase certain prior service credit in the Police and Firemen's Retirement System.

A-274, sponsored by Vincent Ozzie Pellecchia (D-Passaic), which extends the benefits of certain county employees' pension funds to widows and widowers in certain circumstances.

S-1299, sponsored by William J. Hamilton (D-Middlesex), which permits a member of the Police and Firemen's Retirement System who is elected to public office to continue to be a member of that retirement system during his tenure and to maintain his rate of contribution at the same level prior to the contributor's election.

A-1388, sponsored by Vincent Ozzie Pellecchia (D-Passaic), which designates the Department of Community Affairs to promulgate and enforce the "barrier free" building code on behalf of the handicapped. Primary enforcement was in the Treasury Department's Division of Building, which required state inspectors to enforce codes on other than state buildings. The "barrier free" regulations will now be enforced in accordance with the State Uniform Construction Code.

A-1395, sponsored by Francis J. McManimon (D-Mercer), which amends and updates provisions of Public Law 1949, C.280 to allow the Director of the Division of Motor Vehicles to issue special identification cards to the handicapped and special placards or license plates for their autos. The primary intent of the legislation is to provide a standardized identification card, similiar to the widely accepted driver's license, for handicapped persons.