

43:16A-48.8 and 43:16A-48.9

LEGISLATIVE HISTORY CHECKLIST

NJSA 43:16A-48.8 and 43:16A-48.9 (Police pensions--certain municipalities --P & FRS rights)

LAWS 1980 CHAPTER 136

Bill No. A2101

Sponsor(s) Kavanaugh and Smith

Date Introduced Sept. 29, 1980

Committee: Assembly -----

Senate -----

Amended during passage Yes ~~No~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly Oct. 6, 1980

Senate Oct. 9, 1980

Date of approval Oct. 29, 1980

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

10-29-80

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 2101

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 29, 1980

By Assemblymen KAVANAUGH and SMITH

(Without Reference)

AN ACT concerning Police and Firemen's Retirement System pension rights of certain police officers in certain municipalities establishing police departments.

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

1 1. Notwithstanding any other provision of law regarding the
2 Police and Firemen's Retirement System or the Public Employees'
3 Retirement System, when any police officer member of the Police
4 and Firemen's Retirement System transfers his employment to a
5 municipality which has within 1 year of the transfer first established
6 a police department and has not at the time of the transfer adopted
7 the Police and Firemen's Retirement System, so that the police
8 officer is thereby required to transfer to membership in the Public
9 Employees' Retirement System, and the municipality thereafter
10 adopts the Police and Firemen's Retirement System and the police
11 officer elects to transfer back to membership in that system, the
12 full amount of the police officer's contributions and the full amount
13 of the contributions made by the police officer's former employers
14 shall be ***[restored in]*** **transferred by the Public Employees'*
15 *Retirement System to** the Police and Firemen's Retirement System.

1 2. When a police officer transfers back to the Police and Firemen's
2 Retirement System under the circumstances set forth in section 1
3 of this act, the police officer and the employing municipality shall
4 be required to make such contributions, on the basis of rates
5 established by the actuary of the Police and Firemen's Retirement
6 System, which, when added to the funds ***[restored by virtue of]***
7 **transferred pursuant to** section 1 of this act and ***[such sums as**
8 **were contributed by the police officer and employing municipality**
9 **to the Public Employees' Retirement System during the time of the**
10 **police officer's membership in that system]*** **any prior contribu-*
11 *tions made by or on behalf of the transferring police officer retained*

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

12 *by the Police and Firemen's Retirement System**, will obtain for
13 the police officer the same credits, rights and benefits of membership
14 in the Police and Firemen's Retirement System as would have
15 accrued had the police officer continued to be a member of that
16 system during his entire employment as a police officer.

1 3. This act shall take effect immediately and shall be retroactive
2 to January 21, 1980.

12 Retirement System as would have accrued had the police officer
13 continued to be a member of that system during his entire employ-
14 ment as a police officer.

1 3. This act shall take effect immediately and shall be retroactive
2 to January 21, 1980.

STATEMENT

In establishing a new police department, the township of Branchburg has found that the experienced officers which it has hired have been required to transfer from the Police and Firemen's Retirement System (PFRS) to the Public Employees' Retirement System (PERS). PERS establishes lower benefits than PFRS and makes it difficult to attract and keep experienced, qualified officers. A referendum to establish the Police and Firemen's Retirement System in the township of Branchburg has been requested by the requisite number of voters, and the question will be placed on the November 1980 ballot.

When they were forced to transfer from PFRS to PERS, Branchburg township's experienced police officers lost a substantial portion of the contributions made by former employing municipalities on their behalf. These lost funds have not been credited in any way to the township of Branchburg, to the police officers or to the former employing municipalities, but have been in accordance with present law diverted to general State pension purposes. If the police officers transfer back to PFRS, these lost funds will not be restored to their accounts by the State, but rather the township of Branchburg will be required to restore them. This imposes a burden on the township in its hiring of experienced police officers which would not be imposed on a municipality which had an existing police department and had adopted PFRS.

The purpose of the bill is to place municipalities which, like the township of Branchburg, have started new police departments on an equal footing with municipalities which already have police departments in the hiring of experienced officers, and to prevent a diversion of funds at the expense of such municipalities.

A2101(1980)

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

OCTOBER 31, 1980

PAT SWEENEY

Governor Brendan Byrne signed A-2101, sponsored by Assemblyman Walter J. Kavanaugh (R-Somerset), which is a pension bill designed for the Branchburg Township Police Force.

At the beginning of 1980, the Township dropped State Police coverage and started its own force of six men. Five of them had been policemen in other New Jersey municipalities and members of the Police and Firemen's Retirement System (PFRS).

Since Branchburg had not joined PFRS, the new policemen were enrolled in the Public Employees' Retirement System (PERS).

This bill will permit the crediting of previous employers' contributions to the PFRS to be carried forward if the municipality's police force joins the PFRS in accordance with statutes.

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