

43: 13-22.3 et al

LEGISLATIVE HISTORY CHECKLIST

HJSA 43:13-22.3 et al. (Newark - City Employee Retirement System--
revise)
LAWS OF 1979 CHAPTER 281
Bill No. S980
Sponsor(s) Dodd, Wallwork
Date Introduced March 17, 1978
Committee: Assembly Municipal Government
Senate State Govt., Federal & Interstate Relations & Veterans Affairs
Amended during passage XXX No
Date of Passage: Assembly May 7, 1979
Senate Oct. 19, 1979
Date of approval Jan. 8, 1980

Following statements are attached if available:

| | | |
|-------------------------------|----------------|---------------|
| Sponsor statement | Yes | XX |
| Committee Statement: Assembly | Yes | XX |
| Senate | XXX | No |
| Fiscal Note | XXX | No |
| Veto message | XXX | No |
| Message on signing | XXX | No |

Following were printed:

| | | |
|----------|----------------|----|
| Reports | XXX | No |
| Hearings | XXX | No |

SENATE, No. 980

STATE OF NEW JERSEY

INTRODUCED MARCH 17, 1978

By Senators DODD and WALLWORK

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

AN ACT relating to the maintenance and administration of a city
employees' retirement system in certain cities of the first class
and revising parts of the statutory law pertaining thereto.

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

1 1. Section 1 of P. L. 1954, c. 218 (C. 43:13-22.3) is amended to
2 read as follows:

3 1. As used in this act:

4 "Service" shall always, unless otherwise stated, be considered as
5 in the aggregate.

6 "Salary" or "compensation," when used solely for the purpose
7 of fixing benefits under this act, means annual salary or compensa-
8 tion earned by a member as a permanent employee at the time of
9 his death or retirement; provided, however, that \$16,000.00 shall
10 be the maximum amount of the annual salary of any member which
11 shall be considered for any purpose under this act; provided
12 further, however, that as to any employee who, at the time of the
13 adoption of this act, is a member of any retirement system in
14 operation in the city under and by virtue of article 2, chapter 13,
15 Title 43 of the Revised Statutes; and of chapter 18, Title 43 of the
16 Revised Statutes; and of chapter 19, Title 43 of the Revised
17 Statutes, the total annual salary received by such member as a
18 permanent employee at the time of his death or retirement shall
19 be considered for pension or other purposes under this act, except
20 as otherwise provided herein, and further that where an employee
21 heretofore has been receiving more than \$12,000.00 in salary or
22 compensation prior to the effective date of the amendment increas-
23 ing the salary or compensation ceiling to \$16,000.00, and he did not
24 pay into the system all sums that he would have contributed on his
25 full salary he shall not be eligible for the benefits permitted by 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.

26 increased ceiling unless he pays into the system all said sums he
27 would have paid had he not failed to contribute continuously.
28 Application for the exercise of such option shall be made to the
29 commission within 6 months next succeeding the effective date of
30 this amendatory act.

31 (a) Any such benefit for retirement or otherwise accruing as a
32 result of the increase in the salary or compensation ceiling for
33 more than \$12,000.00 shall be on the average annual salary received
34 by such employee member for 1 year preceding his retirement.

35 (b) The repayment of any contributions shall be made within
36 such period of time as shall be granted by the commission but at no
37 time for a greater period than 3 years.

38 "Pension fund" or "fund" means the fund referred to in
39 section 2 of this act, and is the fund from which pensions and other
40 benefits provided for in this act shall be paid.

41 "State" shall, unless otherwise stated, mean the State of New
42 Jersey.

43 "City," unless otherwise specified, means any city of the first
44 class of the State of New Jersey having, at the time of the enactment
45 of this act, a population in excess of 400,000 inhabitants.

46 "His" shall be construed to mean both sexes.

47 "City employee" or "employee" means and includes all perma-
48 nent employees as defined by Title 11 of the Revised Statutes of
49 New Jersey (Civil Service Law) in service in any city of the first
50 class of this State, as hereinabove defined; and shall mean and
51 include all permanent employees of any city board, body or com-
52 mission maintained out of city funds in such city. Notwithstanding
53 the provisions of any other statute of this State, any person under
54 45 years of age hereafter accepting permanent employment in the
55 city (excepting uniformed policemen and firemen) shall, subject to
56 the provisions of section 13 (a) of this act, become a member of
57 the pension fund provided by this act as a "city employee" or
58 "employee" as hereinabove defined; and except as herein otherwise
59 provided, any such person of the age of 45 years or over shall be
60 ineligible to become a member; provided, however, that any
61 employee who, at the time of the adoption of this act, is a member
62 of any retirement system in operation in such city under and by
63 virtue of article 2, chapter 13, Title 43 of the Revised Statutes; or
64 of chapter 18, Title 43 of the Revised Statutes; or of chapter 19,
65 Title 43 of the Revised Statutes, shall not be barred from member-
66 ship in this retirement system on account of age of any such
67 employee.

68-69 Notwithstanding the provisions of chapter 1, Title 43 of the
70 Revised Statutes, any present employee of the city as herein defined,
71 who was not more than 45 years of age at the time of his permanent
72 appointment, shall, subject to the provisions of section 13 of this act,
73 have the right, subject to section 13 (b) of this act, to become a
74 member of the retirement system established by this act, by declar-
75 ing his intention in writing so to do, within 2 months after the
76 formation of the commission created by this act.

77 All such applicants shall submit to and pass a physical examina-
78 tion as required by the commission, and shall pay into the retire-
79 ment system all arrears of dues and assessments determined by the
80 commission, with interest thereon at 3%, in order to receive credit
81 for said prior service as an employee, for the purposes of this act.
82 The maximum length of time to be afforded any such employee for
83 payment of said arrears and interest thereon shall be 5 years from
84 the date of membership in said system.

85 "Widow" or "widower" means the surviving spouse of a city
86 employee married to such employee for a period of at least 5 years
87 prior to the retirement or death of such employee, except as other-
88 wise provided herein, and said marriage having occurred prior to
89 the time when such employee reached the age of 55 years, except
90 that where death results from and as a result of an accident or
91 injury sustained in the line of duty, the widow or widower shall
92 be entitled to the benefits hereinafter set forth, even though the
93 marriage has not been in existence for a period of 5 years; provided,
94 however, [that no pension shall be paid to the surviving husband
95 of a deceased employee unless he shall be and shall continue to
96 remain dependent upon the income which such employee was
97 receiving at the time of her death, or unless he shall be and shall
98 continue to remain physically or mentally incapable of pursuing
99 a gainful occupation] *that no pension shall be paid to the widow or*
100 *widower unless he or she was receiving at least one-half of his or*
101 *her support from the employee or pensioner member in the 12-month*
102 *period immediately preceding the member's death or the accident*
103 *which was a direct cause of the member's death. The dependency*
104 *of such widow or widower shall be considered terminated by the*
105 *remarriage of the widow or widower subsequent to the member's*
106 *death. No pension shall be paid to any minor child or dependent*
107 *parent of such [female] employee unless such minor child or*
108 *dependent parent shall be and shall continue to remain dependent*
109 *upon the income which such employee was receiving at the time of*
110 *his or her death. The pension commission shall determine the*
111 *question of the dependency of the surviving [husband] spouse,*

112 minor child or dependent parent, as well as the ability of the
113 surviving [husband] spouse to pursue some gainful occupation.

114 "Minor child" means a child under the age of 18 years, whose
115 father or mother was married to the employee-member for a period
116 of at least 5 years prior to the retirement of said employee, and
117 the said marriage having occurred prior to the time such employee
118 arrived at the age of 55 years. It shall also mean a child of any
119 age who is permanently and totally disabled as determined by the
120 commission by virtue of physical or mental deficiencies precluding
121 engagement in gainful employment and who is solely dependent
122 for support upon the employee-member.

123 "Dependent parent" shall mean a dependent parent or parents
124 who is or are solely dependent for support upon the employee-
125 member.

126 "Commission" shall mean pension commission

127 "Commissioners" shall mean pension commissioners, unless
128 otherwise specified.

129 "Permanent" and "total" disability means physical or mental
130 incapacity of an employee, as determined by the commission, and
131 which would make the employee unable to perform the duties of his
132 position or office.

133 "Employees' Retirement System of (name of city)" shall be
134 the name of the retirement system provided under the provisions
135 of this act. By that name all of its business shall be transacted, its
136 funds invested, warrants for money drawn and payments made,
137 and all of its cash and securities and other property held.

138 "*So long as he or she remains unmarried*" when referring to
139 *widows or widowers, shall mean "until he or she remarries."*

1 2. Section 13 of P. L. 1954, c. 218 (C. 43:13-22.15) is amended to
2 read as follows:

3 13. The members and conditions of membership in the retirement
4 system created by this act shall be as follows:

5 (a) All persons who shall hereafter become employees of the city
6 prior to attaining the age of 45 years, shall, upon satisfactory
7 completion of 3 months' service, become members of the retirement
8 system herein created, as a condition of their employment; provided
9 that all such persons shall submit to and pass the physical and
10 mental examination required by the commission and shall furnish
11 such evidence of good health, at said time, as the commission shall
12 require; provided further, however, that the failure to pass the
13 said physical and mental examination or failure to furnish satis-
14 factory evidence of good health at such time shall not deprive the
15 employee of his employment.

16 The failure of any employee-member to comply with the rules
17 and regulations prescribed by the commission, pursuant to this act,
18 shall result in the suspension or termination of membership in, or
19 benefits of, this retirement system as may be provided from time to
20 time by the commission.

21 (b) All present employees of the city, as herein defined, who had
22 not attained the age of 45 years at the time of their permanent
23 appointment and are found physically and mentally fit, and are not
24 members of any retirement system supported wholly or in part by
25 the city, may become members of the retirement system created by
26 this act, upon written application made to the commission within
27 2 months after the establishment of the commission, under one of
28 the following two plans:

29 (1) To receive credit for all the time served as a permanent
30 employee with the city prior to joining the retirement system.
31 Such employee shall pay into the fund a sum of money equal to an
32 amount based upon the percentage hereinafter stated that would
33 have been deducted from his salary from June 1, 1928, or from the
34 date of his permanent employment, whichever is the lesser period;
35 provided, however, that if the employee desires to receive credit
36 for only a portion of the time served as a permanent employee he
37 shall make payments accordingly and shall receive credit for that
38 portion of the said prior service as is covered by these payments.
39 Said sum of money may be paid in one lump sum or by regular
40 payroll period deductions from the salary, together with the
41 regular deductions provided by this act, until completed; and the
42 financial officer of the city is authorized to deduct the said amounts
43 from the salary of said employee. Upon such payment or payments
44 being made, the city shall annually pay into the retirement system,
45 herein provided for, a sum of money equal in amount to the
46 employee's total principal payment without interest. All payments
47 aforesaid by the employee shall be made together with 3% interest
48 on the total amount of such payments. The maximum length of time
49 for the payment of all employee's arrears and interest shall be
50 10 years from the date of membership in the fund.

51 (2) By regular deductions from the salary of any employee
52 electing to become a member of the fund, without the benefit of
53 prior service, if any, and credit therefor hereunder. Said deductions
54 shall commence upon membership in the fund; and such employee
55 shall not receive credit for any prior services rendered theretofore
56 in his municipal office of position.

57 (c) All employees who at the time of the adoption and approval
58 of this act are members of any of the following retirement systems

59 in effect in said city, under and by virtue of article 2, chapter 13,
60 Title 43 of the Revised Statutes; and of chapter 18, Title 43 of the
61 Revised Statutes; and of chapter 19, Title 43 of the Revised
62 Statutes, shall, upon the effective date of this act, automatically
63 become members of the city employees' retirement system provided
64 for by this act; and every such employee shall be deemed to agree
65 and consent to such transfer of his membership.

66 (d) All present and future *employee* members of this employment
67 retirement system may purchase, in addition to their permanent
68 employment credits, temporary service credits for all time of
69 temporary service which was continuous and immediately preceded
70 their permanent employment, at the percentage rate and salary
71 prevailing at date of application.

1 3. Section 4 of P. L. 1957, c. 189 (C. 43:13-22.15c) is amended
2 to read as follows:

3 4. No *employee* member of the retirement system shall be retired
4 on pension except as hereinafter provided until he shall have paid
5 in full the amount of all assessments for arrears and interest
6 thereon. The amount of any assessment for arrears and interest
7 thereon remaining unpaid upon a member's death or retirement
8 for permanent or total disability shall be deducted from the
9 amounts first allowable by way of pension prior to any payment
10 by way of pension to a widow, widower, minor child, dependent
11 parent or member retired for permanent or total disability.

1 4. Section 1 of P. L. 1963, c. 151 (C. 43:13-22.16a) is amended
2 to read as follows:

3 1. Any *employee* member, or eligible employee upon becoming
4 a member of a retirement system, established pursuant to the act
5 to which this act is a supplement, may purchase and receive prior
6 service credit for time served in active service in the Armed Forces
7 of the United States while a permanent employee of the city. Such
8 member shall pay into the fund, in a lump sum or by regular payroll
9 deduction installments approved by the pension commission, an
10 amount equal to the contributions which a member would have
11 been required to make for such a period based upon the member's
12 salary, at the time of entering into active service in the armed
13 forces, at the member's contribution rate in effect at the time of
14 applying to make such purchase.

1 5. Section 8 of P. L. 1966, c. 252 (C. 43:13-22.16f) is amended
2 to read as follows:

3 8. Any *employee* member of the city employees' retirement
4 system may upon application to the pension commission purchase
5 prior service credit for full-time service as a permanent employee

6 of the city which preceded his membership in its pension system.
7 Purchase payments for prior service shall be made at the salary
8 scale and rate of contribution effective at the time such application
9 is made. Time payments and methods of deductions shall be the
10 same as are presently in effect under the act hereby supplemented.

1 6. Section 9 of P. L. 1966, c. 252 (C. 43:13-22.16g) is amended
2 to read as follows:

3 9. Any *employee* member of the city employees' retirement
4 system may upon application to the pension commission purchase
5 prior service credit for full-time service as a permanent employee
6 of the board of education or the housing authority of the city or
7 of the city's police or fire departments which preceded his member-
8 ship in its pension system. Purchase payment for prior service
9 shall be made at the salary scale and rate of contribution effective
10 at the time application for purchase is made. Time payments and
11 methods of deductions shall be the same as are presently in effect
12 under this act.

1 7. Section 6 of P. L. 1972, c. 122 (C. 43:13-22.19a) is amended
2 to read as follows:

3 6. (a) Should **[a]** *an employee* member, after having completed
4 at least 25 years of service for credit has been established in the pen-
5 sion fund, be separated voluntarily or involuntarily from the
6 service, and not by removal for cause on charges of misconduct or
7 delinquency, after reaching age 55, he may elect to receive the pay-
8 ments provided for in section 17 (C. 43:13-22.19), if he so qualifies
9 under said section, or the benefit provided by subsection (b) of
10 this section, or a pension beginning at the time he would other-
11 wise be normally entitled to receive it but for his separation from
12 service, in the amount of one-half of the salary he was receiving at
13 the time of separation, provided however that such pension shall be
14 reduced in accordance with a table of proportionate actuarial equiv-
15 alents recommended by the actuary and adopted by the commission
16 reflecting all months that a member lacks of having 30 years'
17 service.

18 (b) Should **[a]** *an employee* member, after having completed
19 at least 15 years of service for which credit has been established
20 in the pension fund, be separated voluntarily or involuntarily from
21 the service, and not by removal for cause on charges of misconduct
22 or delinquency, before reaching age 60, such person may elect to
23 receive the payments provided for in section 17 (C. 43:13-22.19),
24 if he so qualifies under said section, or a deferred pension beginning
25 at age 60 or thereafter, in the amount that his years of service as
26 credited in the fund bear to the total number of years of service

27 that he could have achieved had he continued to age 60 or such
28 necessary age that would have permitted him to qualify for the
29 pension of one-half of the salary he was receiving at the time he
30 elected the deferred pension.

31 (c) Upon and after the death of such pensioner, the benefits
32 provided by section 18 (C. 43:13-22.20) shall be payable to his
33 eligible survivors if they qualify under said section.

1 8. Section 18 of P. L. 1954, c. 218 (C. 43:13-22.20) is amended
2 to read as follows:

3 18. Subject to the other provisions of this act, upon and after
4 the death of such employee *member* or pensioner *member*, said
5 retirement pension shall be paid to the surviving widow or *widower*,
6 so long as *he or she* remains unmarried; **surviving dependent**
7 **widower, as herein defined, so long as he remains unmarried;**
8 minor children or dependent parents, as the case may be; provided,
9 however, that in no instance shall a pension payment to such
10 widow *or widower*, **dependent widower,** minor children or de-
11 pendent parent exceed \$3,000.00 per annum. *In the event of the*
12 *death of a pensioner member, such payments shall not exceed the*
13 *amount received by the decedent pensioner.*

1 9. Section 19 of P. L. 1954, c. 218 (C. 43:13-22.21) is amended
2 to read as follows:

3 19. Subject to the other provisions of this act, any member
4 employee who shall have served or who shall hereafter have served
5 in the employ of such city continuously for a period of **[1 year]**
6 *5 years* and shall become permanently and totally disabled as the
7 result of injury or illness not arising out of and in the course of
8 his employment, shall, upon his application and approval thereof
9 by the commissioners be retired on a pension equal to 2½% of the
10 salary received by him at the time of his retirement; and for each
11 additional year of aggregate service, but not more than 20 years
12 of service in the aggregate, the amount of said pension shall be
13 increased to the extent of 2½% of said salary for each year, not
14 exceeding in any event 50% of said salary; provided, however,
15 that for each year of service over 30 years there shall be an increase
16 of disability pension of 2½% of the salary received by the em-
17 ployee at the time of said retirement; provided further, however,
18 that no such pension, regardless of service or disability, shall
19 exceed three-quarters of the annual salary of said employee at the
20 time of retirement; nor shall any such pension be in excess of
21 \$12,000.00 per annum. Upon and after the death of such retired
22 member or upon and after the death of any member who died as
23 a result of injury or illness not arising out of and in the course

24 of his employment, the said pension or a pension based upon the
 25 services of said member as the case may be, shall be paid to the
 26 surviving widow *or widower*, so long as *he or she* remains un-
 27 married, [surviving dependent widower, so long as he remains
 28 unmarried,] minor children or dependent parent, as the case may
 29 be; provided, however, that in no instance shall said pension exceed
 30 the sum of \$3,000.00 per annum.

1 10. Section 20 of P. L. 1954, c. 218 (C. 43:13-22.22) is amended
 2 to read as follows:

3 20. Subject to the other provisions of this act, any city employee
 4 who shall become permanently or totally disabled as a result of
 5 injury or illness arising out of and in the course of his employment,
 6 shall, upon his application and approval thereof by the commission,
 7 be retired on a pension equal to one-half of the annual salary
 8 received by him at the time of his retirement; provided, however,
 9 that in no instance shall the pension exceed \$12,000.00 per annum;
 10 and provided further, however, that where an employee has served
 11 more than 30 years he shall be entitled to 2½% of his annual salary
 12 for each additional year of service over 30 years, but not exceeding
 13 40 years, and in no event shall such pension exceed \$12,000.00
 14 annually. Upon and after the death of such retired member or
 15 upon and after the death of any member who dies as a result of
 16 any injury or illness arising out of and in the course of his em-
 17 ployment, the said pension or a pension of one-half of the said
 18 annual salary of such member shall be paid as hereinafter provided
 19 to the surviving widow *or widower*, [so long as she remains un-
 20 married; surviving dependent widower,] so long as *he or she*
 21 remains unmarried; minor children or dependent parent, as the
 22 case may be; provided, however, that in no instance shall the
 23 pension exceed \$3,000.00 per annum.

1 11. Section 23 of P. L. 1954, c. 218 (C. 43:13-22.25) is amended
 2 to read as follows:

3 23. Subject to the other provisions of this act, upon the death
 4 of any *employee* member who shall have served or who shall here-
 5 after have served in the employ of the city continuously for a
 6 period of at least 5 years, there shall be paid to the surviving
 7 widow *or widower*, so long as *he or she* remains unmarried; [surviv-
 8 ing dependent widower, so long as he remains unmarried;] minor
 9 children or dependent parent, as the case may be, an amount equal
 10 to 2½% of the salary received by such employee at the time of
 11 his death and 2½% of said yearly salary for each additional year
 12 of service more than 1 year, but not exceeding in any event 50%
 13 of said salary received at the time of death, and in no instance

14 shall such pension exceed \$3,000.00; provided, however, that
 15 wherever the provisions of any of the three pension funds which
 16 have been merged into the fund, provide for greater benefits for
 17 the present members thereof, their widows, widowers, minor
 18 children or dependent parent, then and in that event the said widow,
 19 widower, minor children or dependent parent shall be entitled to
 20 said greater benefits as therein provided; and provided, further,
 21 that after 5 years' membership in the retirement system, the
 22 pension payment to widow or widower shall not be less than
 23 \$1,000.00. *In the event of the death of a pensioner member the*
 24 *amount of pension payment paid his or her widow or widower shall*
 25 *not exceed the amount of the pension payments he or she received*
 26 *at the time of his or her death and in no event in excess of \$3,000.00*
 27 *annually.*

1 12. Section 24 of P. L. 1954, c. 218 (C. 43:13-22.26) is amended
 2 to read as follows:

3 24. Subject to the other provisions of this act, upon and after
 4 the death of any **[member pensioner]** *employee member, pensioner*
 5 *member*, or beneficiary, the benefits herein provided for the surviv-
 6 ing widow**[, surviving dependent]** *or* widower, minor children,
 7 including adopted children, and dependent parent shall be paid in
 8 the following manner of priority:

9 (1) To the surviving widow *or widower*, **[so long as she remains**
 10 **unmarried, or to the dependent widower, so long as he remains**
 11 **unmarried]** *until he or she remarries;*

12 (2) If no widow or **[dependent]** widower, or upon the death of
 13 such widow or **[dependent]** widower, then the pension shall be paid
 14 to the guardian of the minor children, for the exclusive use of said
 15 children, in the following amounts, \$80.00 per month for each minor
 16 child, provided further that in no event shall the funds paid to
 17 minor children exceed in the aggregate the sum of \$3,000.00
 18 annually.

19 (3) In the event there be no surviving widow, **[dependent]**
 20 widower, or minor children, then the pension shall be paid to the
 21 dependent parent or parents in equal shares.

1 13. Section 26 of P. L. 1954, c. 218 (C. 43:13-22.28) is amended
 2 to read as follows:

3 26. The following provisions shall apply to all members of the
 4 retirement system:

5 (a) The commission shall determine the question of the de-
 6 pendency of the surviving **[dependent]** *widow or widower.*

7 (b) When [a] *an employee* member of the retirement system
8 dies leaving no beneficiary [him surviving as aforementioned] *set*
9 *forth in section 24 of P. L. 1954, c. 218 (C. 43:13-22.26) surviving,*
10 there shall be paid to his or her estate a sum equivalent to [50%
11 of his contribution] *his or her contributions* to the retirement
12 system, without interest.

13 (c) Where a husband and wife are each receiving a pension as
14 a retired employee from any retirement system supported wholly
15 or in part by the city, except as otherwise herein provided, then
16 upon the death of either the survivor shall elect to except one or
17 the other of the two pensions, but in no case shall said survivor
18 receive more than one pension at the same time. If the deceased
19 was a member of the retirement system created hereby, the
20 surviving widow or [surviving dependent] widower may continue
21 to receive the pension being paid to him by reason of his member-
22 ship in any other pension system or fund and in that event he shall
23 be entitled to receive from the pension fund created hereby a sum
24 equal to [50% of] the total contributions paid into the pension
25 fund by the said deceased husband or wife, as the case may be,
26 [less any actuarial and pension benefits received by the deceased
27 member, as determined by the commission] *without interest.*

28 (d) Where any employee or other beneficiary is entitled to
29 receive two pensions under the provisions of this act, such em-
30 ployee or other beneficiary shall elect to receive one or the other
31 of the two pensions, and in no case shall receive more than one
32 pension.

33 (e) The rights of any employee or beneficiary to receive com-
34 pensation under the Workmen's Compensation Act of New Jersey
35 shall not be affected or impaired by any of the provisions of this
36 act.

37 (f) Where the service of an employee is terminated by reason
38 of conviction of a crime involving moral turpitude, no pension
39 under this act shall be paid to any such employee; provided, how-
40 ever, that no member of this retirement system who shall have
41 served honorably as a city employee for a period of 25 years and
42 shall have attained the age of [60] 55 years, [or who has served
43 honorably as a city employee for a period of 30 years,] shall be
44 deprived of his pension privileges because of any violation of the
45 rules and regulations established for the government of such city
46 employees not involving conviction of a crime involving moral
47 turpitude as aforesaid.

48 (g) Where any pension or other benefit shall be payable from
 49 the retirement system herein provided to any retired employee
 50 or other beneficiary who is or shall be confined in a penal institu-
 51 tion as a result of conviction of a crime involving moral turpitude,
 52 the pension commission may pay such pension or any part of it
 53 or other benefit to the wife, husband, minor children, mother or
 54 father of the confined person, if it determines the same is necessary
 55 for their maintenance during such confinement.

56 (h) All payments of pension shall be made semimonthly, and
 57 payments of pensions, refunds or other benefits of this act shall be
 58 made without interest.

59 (i) The benefits of this act shall not extend to the widow or
 60 widower of any city employee or of any pensioner who shall re-
 61 marry or shall have married such employee or pensioner after such
 62 employee or pensioner has retired or attained the age of 55 years,
 63 nor to any children of such marriage.

64 (j) *Any member entitled to a pension, or receiving a pension,*
 65 *under the provisions of this act, who shall be appointed to or is*
 66 *servng in any position or office within the municipality from which*
 67 *he has or will retire, and will be entitled to a salary which is paid*
 68 *from public funds, shall not during such period of employment*
 69 *receive any payments or pension or other benefits under this act.*

1 14. This act shall take effect immediately.

STATEMENT

The purposes of this bill are:

1. Provides for the clarification of any claims of sex discrimina-
 tion between widow and widower.
 2. Clarifies any question as to the meaning of "so long as he or
 she remains unmarried" to mean "until he or she remarries."
 3. Prefixes the term "employee" before the term member to
 distinguish an employee member from a pensioner member.
 4. Limits the pension a widow or widower of a deceased pensioner
 shall receive to the semimonthly payments the pensioner received
 at the time of his death, but shall not exceed \$3,000.00 annually.
 5. Any member entitled to receive a pension or who is presently
 receiving a pension, who is reemployed by or remains employed
 by the municipality after his retirement shall not receive any
 retirement benefits during his term of employment and while he
 is receiving a salary from the municipality.
-

48 (g) Where any pension or other benefit shall be payable from
 49 the retirement system herein provided to any retired employee
 50 or other beneficiary who is or shall be confined in a penal institu-
 51 tion as a result of conviction of a crime involving moral turpitude,
 52 the pension commission may pay such pension or any part of it
 53 or other benefit to the wife, husband, minor children, mother or
 54 father of the confined person, if it determines the same is necessary
 55 for their maintenance during such confinement.

56 (h) All payments of pension shall be made semimonthly, and
 57 payments of pensions, refunds or other benefits of this act shall be
 58 made without interest.

59 (i) The benefits of this act shall not extend to the widow or
 60 widower of any city employee or of any pensioner who shall re-
 61 marry or shall have married such employee or pensioner after such
 62 employee or pensioner has retired or attained the age of 55 years,
 63 nor to any children of such marriage.

64 (j) *Any member entitled to a pension, or receiving a pension,*
 65 *under the provisions of this act, who shall be appointed to or is*
 66 *servng in any position or office within the municipality from which*
 67 *he has or will retire, and will be entitled to a salary which is paid*
 68 *from public funds, shall not during such period of employment*
 69 *receive any payments or pension or other benefits under this act.*

1 14. This act shall take effect immediately.

STATEMENT

The purposes of this bill are:

1. Provides for the clarification of any claims of sex discrimina-
 tion between widow and widower.

2. Clarifies any question as to the meaning of "so long as he or
 she remains unmarried" to mean "until he or she remarries."

3. Prefixes the term "employee" before the term member to
 distinguish an employee member from a pensioner member.

4. Limits the pension a widow or widower of a deceased pensioner
 shall receive to the semimonthly payments the pensioner received
 at the time of his death, but shall not exceed \$3,000.00 annually.

5. Any member entitled to receive a pension or who is presently
 receiving a pension, who is reemployed by or remains employed
 by the municipality after his retirement shall not receive any
 retirement benefits during his term of employment and while he
 is receiving a salary from the municipality.

S. 980 (1979)

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 980

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 1979

This bill applies only to the employees retirement system in the city of Newark. The bill eliminates sex discrimination in the payment of claims, clarifies "so long as he or she remains unmarried" to mean "until he or she remarries" and distinguishes employee members in the pension system from pensioner members. The bill limits the pension a widow or widower of a deceased pensioner shall receive to the semi-monthly payment the pensioner received at the time of his death, not to exceed \$3,000.00 annually.

This bill also changes the manner in which survivor's benefits are paid to widows or widowers of members. Under present law a widower qualifies for a survivor's benefit only if he was dependent upon the income of his wife at the time of her death, or if he was physically or mentally incapable of engaging in employment. No such requirement existed for widows. This bill provides for equitable treatment of widows and widowers in the receipt of survivor's benefits. It stipulates that neither a widow or widower shall be eligible to receive such a benefit unless he or she was dependent upon his or her spouse for at least one half of his or her income in the 12 month period preceding the death of such spouse.

The bill also prevents the practice known as "double-dipping" whereby an active city worker draws a pension as well as his regular salary. It is currently estimated that the city of Newark spends \$150,000.00 annually for persons who are in the "double-dipping" category.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

JANUARY 8, 1980

KATHRYN FORSYTH

Governor Brendan Byrne has signed S-980, sponsored by Senator Frank J. Dodd (D-Essex), which amends the laws governing the Newark Employees Retirement System.

The bill makes the following changes:

-- eliminates the automatic denial of a pension to the surviving husband of a deceased city employee, and provides instead that no pension shall be paid to a widow or widower unless they were receiving at least one-half of their support from the employee in the year preceding the member's death or accident which was a direct cause of death. The dependency of the widow or widower would be terminated by remarriage.

-- provides that when a pensioner dies, the payments to the surviving spouse, minor children or dependent parent will not exceed the amount received by the pensioner.

-- provides that when an employee member of the retirement system dies leaving no beneficiary, a sum equivalent to his contributions to the retirement system (without interest), rather than just 50 percent of his contribution, shall be paid to his estate.

-- provides that when a husband and wife each receive a pension supported entirely or in part by the city, and if the deceased person was a member of the retirement system created by this law, the surviving spouse is entitled to receive the total contributions paid into the pension fund by the deceased rather than just 50 percent of the contributions.

-- provides that any employee either entitled to receive or currently receiving a pension under this law and who is re-employed by the city or remains employed by the city after his retirement, shall not receive any retirement benefits during the term of his employment. This provision is intended to prevent double-dipping.

#