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No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

P.L. 1999, CHAPTER 338, *approved January 10, 2000*  
Assembly, No. 1445

1 **AN ACT** concerning the Police and Firemen's Retirement System of  
2 New Jersey and supplementing P.L.1944, c.255 (C.43:16A-1 et  
3 seq.).  
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*  
7

8 1. Notwithstanding the provisions of section 4 of P.L.1944, c.255  
9 (C.43:16A-4), any member who is separated involuntarily from the  
10 police service covered by the retirement system, and not by removal  
11 for cause or charges of misconduct or delinquency, and who  
12 subsequently becomes a police service employee covered by the  
13 retirement system may, upon filing an application with the board of  
14 trustees of the retirement system, purchase credit in the retirement  
15 system for all or a portion of the time of the hiatus in creditable  
16 service, but not exceeding three years, as provided in this section.

17 The member may purchase credit for the service by paying into the  
18 annuity savings fund the amount determined by applying the factor,  
19 supplied by the actuary, applicable to his age at the time of the  
20 purchase, to his creditable salary in the last 12 months of creditable  
21 service in the position covered by the retirement system immediately  
22 preceding the involuntary separation from service. The purchase may  
23 be made in regular monthly installments or in a lump sum as the  
24 member may elect and pursuant to rules and regulations as may be  
25 promulgated by the Division of Pensions and Benefits. The member  
26 shall bear the entire cost for the additional retirement benefit  
27 attributable to the purchased credit. If, upon retirement, the member's  
28 payment for purchase of the credit is insufficient to provide for the  
29 additional retirement benefit attributable to the service, the difference  
30 may be assessed to the member, or a pro rata credit may be granted  
31 based on service purchased prior to the date of retirement, at the  
32 election of the member.

33 If the member retires prior to completing the purchase, he will  
34 receive pro rata credit for service purchased prior to the date of  
35 retirement, unless he makes an additional lump sum payment at that  
36 time as will be necessary to provide full credit.  
37

38 2. This act shall take effect immediately.  
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42  
43 \_\_\_\_\_  
44 Permits rehired police to purchase PFRS credit for 3 years of layoff  
period.

# ASSEMBLY, No. 1445

## STATE OF NEW JERSEY 208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

**Sponsored by:**

**Assemblyman JACK COLLINS**

**District 3 (Salem, Cumberland and Gloucester)**

**Assemblywoman MARION CRECCO**

**District 34 (Essex and Passaic)**

**Co-Sponsored by:**

**Assemblywoman Pou**

**SYNOPSIS**

Permits rehired police to purchase PFRS credit for 3 years of layoff period.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 3/24/1998)**

1 AN ACT concerning the Police and Firemen's Retirement System of  
2 New Jersey and supplementing P.L.1944, c.255 (C.43:16A-1 et  
3 seq.).

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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8 1. Notwithstanding the provisions of section 4 of P.L.1944, c.255  
9 (C.43:16A-4), any member who is separated involuntarily from the  
10 police service covered by the retirement system, and not by removal  
11 for cause or charges of misconduct or delinquency, and who  
12 subsequently becomes a police service employee covered by the  
13 retirement system may, upon filing an application with the board of  
14 trustees of the retirement system, purchase credit in the retirement  
15 system for all or a portion of the time of the hiatus in creditable  
16 service, but not exceeding three years, as provided in this section.

17 The member may purchase credit for the service by paying into the  
18 annuity savings fund the amount determined by applying the factor,  
19 supplied by the actuary, applicable to his age at the time of the  
20 purchase, to his creditable salary in the last 12 months of creditable  
21 service in the position covered by the retirement system immediately  
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24 member may elect and pursuant to rules and regulations as may be  
25 promulgated by the Division of Pensions. The member shall bear the  
26 entire cost for the additional retirement benefit attributable to the  
27 purchased credit. If, upon retirement, the member's payment for  
28 purchase of the credit is insufficient to provide for the additional  
29 retirement benefit attributable to the service, the difference may be  
30 assessed to the member, or a pro rata credit may be granted based on  
31 service purchased prior to the date of retirement, at the election of the  
32 member.

33 If the member retires prior to completing the purchase, he will  
34 receive pro rata credit for service purchased prior to the date of  
35 retirement, unless he makes an additional lump sum payment at that  
36 time as will be necessary to provide full credit.

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38 2. This act shall take effect immediately.

39  
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41 STATEMENT

42

43 This bill permits a member of the Police and Firemen's Retirement  
44 System (PFRS) who is laid off from employment as a police officer  
45 and subsequently rehired in a police service position covered by PFRS

**A1445 COLLINS, CRECCO**

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1 to purchase up to three years of service credit for the time between  
2 layoff and rehire. The cost of the purchase is borne fully by the  
3 member and is based on the member's salary for the last 12 months of  
4 creditable service in the position held at the time of layoff.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1445**

**STATE OF NEW JERSEY**

DATED: OCTOBER 15, 1998

The Assembly State Government Committee reports favorably Assembly, No. 1445.

This bill permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between layoff and rehire. The cost of the purchase is to be borne fully by the member and is based on the member's salary for the last 12 months of creditable service in the position held at the time of layoff.

This bill is identical to Senate, No. 956 (Robertson).

This bill was prefiled for introduction in the 1998 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1445**

**STATE OF NEW JERSEY**

DATED: DECEMBER 3, 1998

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1445.

Assembly Bill No. 1445 permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between layoff and rehire. The cost of the purchase is to be borne fully by the member and is based on the member's salary for the last 12 months of creditable service in the position held at the time of layoff.

This bill is identical to Senate, No. 956 (Robertson).

FISCAL IMPACT:

The Office of Legislative Services (OLS) cannot estimate the total cost of this bill because of a lack of detailed information. The OLS notes that although the bill requires the full cost to be paid by the member, State and local governments as employers will have to finance larger cost-of-living adjustments to the member's larger retirement allowance. Additionally, a member may qualify for additional benefits, over time, such as employer-paid post retirement medical coverage.



# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 1445

# STATE OF NEW JERSEY

DATED: DECEMBER 6, 1999

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1445.

This bill permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between layoff and rehire. The cost of the purchase is to be based on the member's salary for the last 12 months of creditable service in the position held at the time of layoff.

This bill is identical to Senate Bill No. 956, also reported this day by the committee.

#### FISCAL IMPACT

The Office of Legislative Services (OLS) cannot estimate the total cost of this bill because of a lack of detailed information. The OLS notes that by basing the purchase cost on the member's pre-layoff salary (rather than on the salary at the time of purchase as is done for other types of pension credit buybacks), the bill may not allow full effect to be given to a provision of the legislation that the full cost of any increase in basic retirement benefits attributable to the purchase is to be borne by the member. The OLS further notes that, in addition to being liable for the difference between members' purchase cost under these terms and the actual cost of the basic benefit increases resulting from such purchases, State and local governments as employers will have to finance higher cost-of-living adjustments to those increased basic benefits. Also, a purchasing member may qualify for additional benefits over time, such as employer-paid post-retirement medical coverage.

# LEGISLATIVE FISCAL ESTIMATE

## ASSEMBLY, No. 1445

# STATE OF NEW JERSEY

## 208th LEGISLATURE

DATED: DECEMBER 23, 1998

Assembly Bill No. 1445 of 1998 permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between a layoff and rehire. The cost of the purchase is borne fully by the member and is based on the member's salary for the last 12 months of creditable service in the position held immediately prior to the layoff.

The Office of Legislative Services (OLS) cannot estimate the total cost of this bill because of a lack of detailed information. However, the OLS notes that although the bill requires the full cost of the additional retirement benefit to be paid by the member, State and local governments as employers will have to finance, as a result of the enactment of this bill, larger cost-of-living adjustments to the member's retirement allowance than the member would have been eligible for without the purchase. In addition, the purchase may also qualify a member for additional benefits such as employer-paid post retirement medical benefits. The additional cost for post retirement medical benefits would not be included in the member's purchase cost.

For example, according to the Division of Pensions and Benefits, the annual cost of providing Traditional indemnity, member and spouse, coverage in the State Health Benefits Program is \$6,267 in fiscal year 1998. This cost would increase annually until the member reached age 65 and became eligible for the Medicare program.

Finally, the OLS notes that permitting members to purchase service credit for time during which service was not actually performed in the public sector has not previously been permitted. Given the principles and structure of the State-administered retirement systems, the opportunity provided by this bill is unprecedented.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

**SENATE, No. 956**

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

INTRODUCED MARCH 26, 1998

**Sponsored by:**

**Senator NORMAN M. ROBERTSON**

**District 34 (Essex and Passaic)**

**Senator ANTHONY R. BUCCO**

**District 25 (Morris)**

**SYNOPSIS**

Permits rehired police to purchase PFRS credit for three years of layoff period.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/7/1999)**

1 AN ACT concerning the Police and Firemen's Retirement System of  
2 New Jersey and supplementing P.L.1944, c.255 (C.43:16A-1 et  
3 seq.).

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Notwithstanding the provisions of section 4 of P.L.1944, c.255  
9 (C.43:16A-4), any member who is separated involuntarily from the  
10 police service covered by the retirement system, and not by removal  
11 for cause or charges of misconduct or delinquency, and who  
12 subsequently becomes a police service employee covered by the  
13 retirement system may, upon filing an application with the board of  
14 trustees of the retirement system, purchase credit in the retirement  
15 system for all or a portion of the time of the hiatus in creditable  
16 service, but not exceeding three years, as provided in this section.

17 The member may purchase credit for the service by paying into the  
18 annuity savings fund the amount determined by applying the factor,  
19 supplied by the actuary, applicable to his age at the time of the  
20 purchase, to his creditable salary in the last 12 months of creditable  
21 service in the position covered by the retirement system immediately  
22 preceding the involuntary separation from service. The purchase may  
23 be made in regular monthly installments or in a lump sum as the  
24 member may elect and pursuant to rules and regulations as may be  
25 promulgated by the Division of Pensions. The member shall bear the  
26 entire cost for the additional retirement benefit attributable to the  
27 purchased credit. If, upon retirement, the member's payment for  
28 purchase of the credit is insufficient to provide for the additional  
29 retirement benefit attributable to the service, the difference may be  
30 assessed to the member, or a pro rata credit may be granted based on  
31 service purchased prior to the date of retirement, at the election of the  
32 member.

33 If the member retires prior to completing the purchase, he will  
34 receive pro rata credit for service purchased prior to the date of  
35 retirement, unless he makes an additional lump sum payment at that  
36 time as will be necessary to provide full credit.

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38 2. This act shall take effect immediately.

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STATEMENT

42

43 This bill permits a member of the Police and Firemen's Retirement  
44 System (PFRS) who is laid off from employment as a police officer  
45 and subsequently rehired in a police service position covered by PFRS

**S956 ROBERTSON, BUCCO**

3

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2 layoff and rehire. The cost of the purchase is borne fully by the  
3 member and is based on the member's salary for the last 12 months of  
4 creditable service in the position held at the time of layoff.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 956

# STATE OF NEW JERSEY

DATED: DECEMBER 6, 1999

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 956.

This bill permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between layoff and rehire. The cost of the purchase is to be based on the member's salary for the last 12 months of creditable service in the position held at the time of layoff.

This bill is identical to Assembly Bill No. 1445, also reported this day by the committee.

#### FISCAL IMPACT

The Office of Legislative Services (OLS) cannot estimate the total cost of this bill because of a lack of detailed information.

The OLS notes that the bill's provision setting the terms of the purchase (which bases the purchase cost on the member's pre-layoff salary, rather than on the salary at the time of purchase as is done for other types of pension credit buybacks) may not provide for recovery through the purchase payment itself of the full cost of any increase in basic retirement benefits attributable to the purchase. Potentially offsetting this provision, however, is a separate provision authorizing the Division of Pensions and Benefits to assess the member at the time of retirement for the amount of any difference between the purchase payment and the full cost of the basic benefit increase.

The OLS further notes that State and local governments as employers will have to finance higher cost-of-living adjustments to those increased basic benefits. Also, a purchasing member may qualify for additional benefits over time, such as employer-paid post-retirement medical coverage.

# LEGISLATIVE FISCAL ESTIMATE

## SENATE, No. 956

# STATE OF NEW JERSEY

## 208th LEGISLATURE

DATED: DECEMBER 23, 1998

Senate Bill No. 956 of 1998 permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a police officer and subsequently rehired in a police service position covered by PFRS to purchase up to three years of service credit for the time between a layoff and rehire. The cost of the purchase is borne fully by the member and is based on the member's salary for the last 12 months of creditable service in the position held immediately prior to the layoff.

The Office of Legislative Services (OLS) cannot estimate the total cost of this bill because of a lack of detailed information. However, the OLS notes that although the bill requires the full cost of the additional retirement benefit to be paid by the member, State and local governments as employers will have to finance, as a result of the enactment of this bill, larger cost-of-living adjustments to the member's retirement allowance than the member would have been eligible for without the purchase. In addition, the purchase may also qualify a member for additional benefits such as employer-paid post retirement medical benefits. The additional cost for post retirement medical benefits would not be included in the member's purchase cost.

For example, according to the Division of Pensions and Benefits, the annual cost of providing Traditional indemnity, member and spouse, coverage in the State Health Benefits Program is \$6,267 in fiscal year 1998. This cost would increase annually until the member reached age 65 and became eligible for the Medicare program.

Finally, the OLS notes that permitting members to purchase service credit for time during which service was not actually performed in the public sector has not previously been permitted. Given the principles and structure of the State-administered retirement systems, the opportunity provided by this bill is unprecedented.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

*Office of the Governor*  
**NEWS RELEASE**

PO BOX 004  
TRENTON, NJ 08625

CONTACT: Gene Herman  
609-777-2600

RELEASE: January 10, 2000

Gov. Christie Whitman today signed the following pieces of legislation:

**S-436**, sponsored by Senators C. Louis Bassano (R-Essex/Union) and Diane B. Allen (R-Burlington/Camden), requires the Department of Health and Senior Services (DHSS) to prepare an informational pamphlet on the nature and causes of osteoporosis and methods used to treat and prevent osteoporosis. The bill appropriates \$25,000 from the General Fund to DHSS to fund the printing and distribution of the pamphlets.

**S-1735**, sponsored by Senators William L. Gormley (R-Atlantic) and John A. Girgenti (D-Passaic) and Assembly Members Kenneth C. LeFevre (R-Atlantic) and Francis J. Blee (R-Atlantic), amends the reckless endangerment statute to clarify that adulteration of a drink or other substance constitutes the fourth degree offense of reckless endangerment. Specifically, the bill clarifies that this offense is committed when a person purposely or knowingly gives another person a drink or other substance that is intoxicating, tranquilizing or disorienting, when that other person does not know the identity and effect of the drink or substance.

**A-2775**, sponsored by Assembly Members John V. Kelly (R-Bergen/Essex/Passaic) and Paul DiGaetano (R-Bergen/Essex/Passaic) and Senator Garry J. Furnari (D-Bergen/Essex/Passaic), provides a grant of \$75,000 to create a study skills program in the East Rutherford Boro School District to address the needs of at-risk pupils. Pupils who are at-risk will be determined by using multiple indicators, including test scores, writing portfolios, teacher recommendations, and parental input. Funding will be utilized for staffing, teaching materials and other supplies. The bill makes a supplemental appropriation to the Fiscal Year 2000 budget.

**A-1019**, sponsored by Assembly Members Charles Zisa (D-Bergen) and Alan M. Augustine (R-Middlesex/Morris/Somerset/Union), and Senator Joseph A. Palaia (R-Monmouth), provides that commencing on September 1, 2002, any buildings and grounds supervisor employed by a school district must be a certified educational facilities manager. The bill directs the State Board of Education to issue rules and regulations to administer the program. The bill provides that a certified educational facilities manager must meet specific requirements, including having two years of experience in the field of buildings and grounds supervision and graduate as a certified educational facilities manager from the New Jersey Educational Facility Management Program at Rutgers University, or an equivalent program at an accredited institution of higher learning.

**A-2993**, sponsored by Assembly Members Gerald J. Luongo (R-Camden/Gloucester) and Senator Robert E. Littell (R-Sussex/Hunterdon/Morris), excludes bonds supported by open space, recreation, farmland or historic preservation taxes from calculation of gross debt of a county or municipality. Gross debt is a measure used under the Local Bond Law to derive the net debt of a county or municipality for purposes of establishing a county or municipal debt limit.



**A-1445**, sponsored by Assembly Members Jack Collins (R- Salem/Cumberland/Gloucester) and Marion Crecco (R-Essex/Passaic) and Senators Norman Robertson (R-Essex/Passaic) and Anthony R. Bucco (R- Morris), permits a police officer enrolled in the Police and Firemen's Retirement System to purchase up to three years of service credit based on inactive time between a point of no-fault layoff and the point of rehiring the employee.

**A-2133**, sponsored by Assembly Members John V. Kelly (R- Bergen/Essex/Passaic) and Joseph V. Doria, Jr. (D-Hudson), requires health insurers, including hospital service corporations, medical service corporations, health service corporations, commercial insurers and health maintenance organizations to provide health benefits coverage for annual mammograms for women aged 40 and over. Previous law provided for annual mammogram coverage for women 50 and over; women who are at least 40, but less than 50, were provided coverage for biannual examinations.

**S-1503**, sponsored by Senator Richard J. Codey (D-Essex) and Assembly Members John V. Kelly (R-Bergen/Essex/Passaic) and Paul DiGaetano (R-Bergen/Essex/Passaic), revises pension benefits and employee contribution rates for members of certain board of education pension funds.

**A-2943**, sponsored by Assembly Members Jack Collins (R-Cumberland/Gloucester/Salem) and Christopher Bateman (R-Morris/Somerset) and Senators Robert W. Singer (R-Burlington/Monmouth/Ocean) and Diane B. Allen (R-Burlington/Camden), requires the return of unearned premiums on a pro rata basis for canceled automobile insurance policies. Previous law only required an insurer to return unpaid premiums on a short rate basis, which is an amount less than the pro rata basis because a percentage of administrative costs are charged to the insured.

**A-1706**, sponsored by Assembly Member John V. Kelly (R-Bergen/Essex/Passaic) and Senators Robert W. Singer (R-Burlington/Monmouth/Ocean) and Louis F. Kosco (R-Bergen), establishes a procedure to be followed by landlords of commercial or residential property when disposing of tangible property left behind in premises that had been vacated by a tenant.

**S-1062**, sponsored by Senators William L. Gormley (R-Atlantic) and Edward T. O'Connor, Jr. (D-Hudson) and Assembly Members Richard A. Merkt (R-Morris) and Michael Patrick Carroll (R-Morris), establishes a procedure for dealing with lost or abandoned property.

**A-3298**, sponsored by Assembly Members John S. Wisniewski (D-Middlesex) and Gerald J. Luongo (R-Camden/Gloucester) and Senators Joseph F. Vitale (D-Middlesex) and Nicholas J. Sacco (D-Bergen/Hudson), allows for re-certification of the special district tax for school districts if the school district's surplus account is higher than estimated at the school election in certain circumstances.

**S-1697**, sponsored by Senators William L. Gormley (R-Atlantic) and Wayne R. Bryant (D-Camden/Gloucester) and Assembly Members James W. Holzapfel (R- Monmouth/Ocean) and Kenneth C. LeFevre (R-Atlantic), authorizes a court to issue a restraining order prohibiting a person charged with, convicted of or adjudicated delinquent for any drug distribution offense or any offense involving the use or possession of an assault weapon from returning to the place where the offense occurred.

**A-960**, sponsored by Assembly Member Alan M. Augustine (R- Middlesex/Morris/Somerset /Union), requires pet shops to refund the purchase price, reimburse any veterinary fees, or provide replacement for sick cats or dogs under certain circumstances.

**S-1273**, sponsored by Senators Robert W. Singer (R- Burlington/Monmouth/Ocean) and Robert W. Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Charlotte Vandervalk (R- Bergen) and Nicholas R. Felice (R-Bergen/Passaic), permits HMO enrollees residing in certain retirement communities with nursing homes to continue to receive care at that nursing facility under certain circumstances.

**A-1653**, sponsored by Assembly Members John V. Kelly (R- Bergen/Essex/Passaic) and Neil M. Cohen (D-Union) and Senator Gerald Cardinale (R-Bergen), requires health insurers, including hospital service corporations, medical service corporation, health service corporations, commercial insurers and health maintenance organizations to provide insurance coverage benefits for health wellness examinations and counseling. The bill appropriates \$95,000 to the Department of Health and Senior Services for allocation to the Health Wellness Promotion Advisory Board to evaluate implementation of the provisions of the bill and to ensure awareness and utilization of the health promotion program by covered persons and health care providers.

**A-2461**, sponsored by Assembly Member Gary W. Stuhltrager (R-Salem/Cumberland/ Gloucester), extends the cap on tax liability on transfers of hazardous substances to certain successors in interest.