

# 43:15A-73

## LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

**LAWS OF:** 2003                    **CHAPTER:** 263  
**NJSA:** 43:15A-73            (Enrollment of bi-state and multi-state employees in PERS)  
**BILL NO:** S2161  
**SPONSOR(S):** Suliga

**DATE INTRODUCED:** December 12, 2002

**COMMITTEE:**            **ASSEMBLY:** Appropriations  
                                 **SENATE:** Budget and Appropriations; State Government

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**            **ASSEMBLY:** January 12, 2004  
   **SENATE:** December 15, 2003

**DATE OF APPROVAL:** January 14, 2004

### FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Senate Committee Substitute (1R) enacted  
(Amendments during passage denoted by superscript numbers)

[SPONSOR'S STATEMENT:](#) (Begins on page 2 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**                            [ASSEMBLY:](#) [Yes](#)

**SENATE:** Yes [12-4-2003 \(Budget\)](#)  
[1-16-2003 \(State Gov't\)](#)

[FLOOR AMENDMENT STATEMENT:](#) [Yes](#)

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

### FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>.

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

P.L. 2003, CHAPTER 263, *approved January 14, 2004*  
Senate Committee Substitute (*First Reprint*) for  
Senate, No. 2161

1 AN ACT concerning the enrollment of officers and employees of  
2 interstate compact agencies in the Public Employees' Retirement  
3 System of New Jersey and the purchase of service credit in that  
4 system and amending P.L.1954, c. 84 and P.L.1963, c.19.

5

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

8

9 1. Section 73 of P.L.1954, c.84 (C.43:15A-73) is amended to read  
10 as follows:

11 73. a. (1) The Public Employees' Retirement System is hereby  
12 authorized and directed to enroll eligible employees of the New Jersey  
13 Turnpike Authority, [the New Jersey Highway Authority,] Palisades  
14 Interstate Park Commission, Interstate Environmental Commission,  
15 the Delaware River Basin Commission and the Delaware River Joint  
16 Toll Bridge Commission.

17 In the case of the Delaware River Joint Toll Bridge Commission,  
18 the eligible employees shall be only those who are employed on the  
19 free bridges across the Delaware river, under the control of said  
20 commission, or who are members of the retirement system at the time  
21 they begin employment with the commission.

22 The said employees shall be subject to the same membership,  
23 contribution and benefit provisions of the retirement system as State  
24 employees.

25 (2) In addition to those agencies named in paragraph (1) of this  
26 subsection, the Public Employees' Retirement System is hereby  
27 authorized and directed to enroll an eligible officer or employee,  
28 excluding a police officer or firefighter, of a bi-state or multi-state  
29 agency established pursuant to an interstate compact to which this  
30 State is a party, if the officer or employee is a resident of this State at  
31 the time of appointment or employment with the agency and the  
32 governing body of the agency has adopted a resolution, and filed a  
33 certified copy of the resolution with the board of the retirement  
34 system, that permits such an officer or employee to enroll. The  
35 enrollment shall be at the option of the officer or employee so  
36 permitted. A filed resolution shall define each category of officer or  
37 employee who may enroll in the retirement system, and the resolution  
38 may apply to those officers or employees initially appointed or  
39 employed on or after January 1, 2002.

**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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate floor amendments adopted December 11, 2003.

1       The resolution shall be in a form prescribed by the <sup>1</sup>[division and  
2 shall provide for the period within which an eligible officer or  
3 employee shall be enrolled] Division of Pensions and Benefits. The  
4 election by an officer or employee to enroll in the retirement system  
5 shall be made within 90 days of the date of eligibility<sup>1</sup>. Once enrolled,  
6 the officer or employee shall remain a member of the retirement system  
7 during the period of continuous service with the agency. <sup>1</sup>The officer  
8 or employee shall not be enrolled simultaneously in more than one  
9 retirement system based on the same service with the agency.<sup>1</sup>

10       An enrolled officer or employee who was appointed or employed  
11 on or after January 1, 2002 shall receive credit for service with the  
12 agency rendered prior to enrollment if there is paid into the  
13 appropriate fund of the retirement system at the time of enrollment,  
14 either by the agency or by the officer or employee, the full purchase  
15 amount required by applying the factor, supplied by the actuary, as  
16 being applicable to the officer's or employee's age at the time of  
17 purchase, to the officer's or employee's salary at the time of purchase  
18 or to the highest annual compensation for service in this State for  
19 which contributions were made during any prior fiscal year of  
20 membership in the retirement system, whichever is greater. An officer  
21 or employee who was a member of the retirement system on the date  
22 continuous service with the agency began and who has not withdrawn  
23 the employee contributions from the system, shall participate in the  
24 retirement system under the former membership. A bi-state or multi-  
25 state agency that files a resolution pursuant to this paragraph shall for  
26 all purposes of P.L.1954, c.84 (C.43:15A-1 et seq.) be deemed an  
27 employer, and its eligible employees, both veterans and nonveterans,  
28 shall be subject to the same membership, contribution and benefit  
29 provisions of the retirement system and to the provisions of P.L.1952,  
30 c.215 (C.43:3A-1 et seq.), P.L.1958, c.143 (C.43:3B-1 et seq.),  
31 P.L.1968, c.23 (C.43:3C-1 et seq.), P.L.1981, c.213 (C.43:3C-4 and  
32 43:3C-5), P.L.1986, c.188 (C.43:3C-9), and P.L.1997, c.113  
33 (C.43:3C-9.1 et seq.), as are applicable to State employees. As a  
34 condition, the agency shall consent to participation in the New Jersey  
35 agreement with the Social Security Administration.

36  
37       2. Section 2 of P.L.1963, c.19 (C.43:15A-73.1) is amended to  
38 read as follows:

39       2. A member may file a detailed statement of public employment  
40 in other states or with the United States Government which would be  
41 eligible for credit in a State-administered retirement system if the  
42 employment was with a public employer in this State, or of military  
43 service in the Armed Forces of the United States, or of service  
44 resulting from initial appointment or employment on or after January  
45 1, 2002 with a bi-state or multi-state agency established pursuant to  
46 an interstate compact to which the State is a party which would be

1 eligible for credit in a State-administered retirement system if the  
2 employment was with a public employer in this State, rendered prior  
3 to becoming a member, for which the member desires credit, and of  
4 such other facts as the retirement system may require. The member  
5 may purchase credit for all or a portion of the service evidenced in the  
6 statement up to the nearest number of years and months, but not  
7 exceeding 10 years, provided however, that a member purchasing that  
8 maximum credit may purchase up to five additional years for additional  
9 military service qualifying the member as a veteran as defined in  
10 section 6 of P.L.1954, c.84, (C.43:15A-6). No application shall be  
11 accepted for the purchase of credit for the service if, at the time of  
12 application, the member has a vested right to retirement benefits in  
13 another retirement system based in whole or in part upon that service.  
14 The member may purchase credit for the service by paying into the  
15 annuity savings fund the amount required by applying the factor,  
16 supplied by the actuary as being applicable to the member's age at the  
17 time of the purchase, to the member's salary at that time, or to the  
18 highest annual compensation for service in this State for which  
19 contributions were made during any prior fiscal year of membership,  
20 whichever is greater. The purchase may be made in regular  
21 installments, equal to at least 1/2 of the full normal contribution to the  
22 retirement system, over a maximum period of 10 years. The employer  
23 of a member who applies, pursuant to this section, to purchase credit  
24 for public employment with the United States Government or for  
25 military service in the Armed Forces of the United States shall not be  
26 liable for any payment to the retirement system on behalf of the  
27 member for the purchase of this credit.

28 Notwithstanding any provision of this act to the contrary, a  
29 member shall not be liable for any costs associated with the financing  
30 of pension adjustment benefits and health care benefits for retirees  
31 when purchasing credit for public employment in other states or with  
32 the United States Government or military service in the Armed Forces  
33 of the United States or with a bi-state or multi-state agency.

34 Any member electing to [purchase the service] make a purchase  
35 pursuant to this section who retires prior to completing payments as  
36 agreed with the retirement system will receive pro rata credit for  
37 [service purchased] the purchase prior to the date of retirement, but  
38 if the member so elects at the time of retirement, the member may  
39 make the additional lump sum payment required at that time to provide  
40 full credit.

41 (cf: P.L.1991, c.153, s.2)

42

43 3. This act shall take effect immediately.

1

\_\_\_\_\_

2

3 Provides option for enrolling officers and employees of bi-state and

4 multi-state agencies in PERS; permits purchase of service credit in

5 PERS by former agency employees.

# SENATE, No. 2161

## STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED DECEMBER 12, 2002

**Sponsored by:**

**Senator JOSEPH SULIGA**

**District 22 (Middlesex, Somerset and Union)**

**SYNOPSIS**

Provides officers or employees of Port Authority of New York and New Jersey who are residents of New Jersey with option to select retirement system.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the officers and employees of the Port Authority  
2 of New York and New Jersey.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. An officer or employee of the Port Authority of New York and  
8 New Jersey who is appointed or employed on or after the effective  
9 date of this act, P.L. , c. (C. )(now pending before the  
10 Legislature as this bill), excluding a police officer or firefighter, and  
11 who at the time of appointment or employment is a resident of the  
12 State of New Jersey, shall have the option of enrolling either in the  
13 Public Employees' Retirement System of New Jersey, established  
14 pursuant to P.L.1954, c.84 (C.43:15A-1 et seq.), or a substantially  
15 similar pension or retirement fund or system for general public  
16 employees in the State of New York.

17 The authority shall take any action necessary for securing and  
18 maintaining the benefits of the Public Employees' Retirement System  
19 of New Jersey, and a substantially similar pension or retirement fund  
20 or system in the State of New York, for its officers and employees.  
21 Contributions to a pension or retirement fund or system to be paid by  
22 the employer on account of such officer or employee shall be paid by  
23 the authority.

24  
25 2. For the purposes of this act, P.L. , c. (C. )(now  
26 pending before the Legislature as this bill), the Public Employees'  
27 Retirement System of New Jersey, established pursuant to P.L.1954,  
28 c.84 (C.43:15A-1 et seq.), is hereby authorized and directed to enroll  
29 eligible employees of the Port Authority of New York and New Jersey  
30 and the officers and employees of the authority who are residents of  
31 the State of New Jersey at the time of appointment or employment  
32 shall be eligible for membership in the Public Employees' Retirement  
33 System of New Jersey. The officer or employee shall be subject to the  
34 same membership, contribution and benefit provisions of the  
35 retirement system as New Jersey State employees during the period of  
36 service with the authority.

37  
38 3. This act shall take effect upon the enactment into law by the  
39 State of New York of legislation having an identical effect with this  
40 act, or if the State of New York has already enacted such legislation,  
41 this act shall take effect immediately.

42  
43 STATEMENT

44  
45 This bill would provide officers or employees of the Port Authority  
46 of New York and New Jersey, who are residents of the State of New

**S2161 SULIGA**

3

1 Jersey and appointed or employed after the effective date, with the  
2 option of enrolling in either the Public Employees' Retirement System  
3 of New Jersey or a substantially similar pension or retirement fund or  
4 system for general public employees in the State of New York.  
5 Currently, authority officers and employees are enrolled in the New  
6 York State public employees' retirement system, regardless of the state  
7 of residency.

8 This legislation would take effect only if legislation is enacted in the  
9 State of New York with an identical effect.



# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 2161

# STATE OF NEW JERSEY

DATED: JANUARY 8, 2004

The Assembly Appropriations Committee reports favorably Senate Bill No. 2161 (SCS/1R).

Senate Bill No. 2161 (SCS/1R) provides for enrollment in the Public Employees' Retirement System of New Jersey (PERS) of eligible employees of any bi- or multi-state agency in which New Jersey is a participant.

The PERS statute currently provides for enrollment in the system of employees of various specified independent agencies and instrumentalities, including several interstate agencies (e.g., the Palisades Interstate Park and Delaware River Basin commissions). This bill establishes an enrollment provision covering employees of all interstate agencies and prescribes the terms and conditions applicable to coverage of new enrollees under that provision.

Under the bill, the PERS is directed to enroll an eligible officer or employee (other than a police officer or firefighter) of a bi-state or multi-state agency established by an interstate compact to which New Jersey is a party if (i) the person is a State resident at the time of appointment with the agency, and (ii) the governing body of the agency has certified to the retirement system its approval for enrollment in the system of the employee class within which the person is included. The certification could apply retroactively to individuals commencing service with the agency on or after January 1, 2002. Any individual eligible for membership under such a certification would have the option whether or not to be enrolled. They would have 90 days to enroll after becoming eligible.

Once enrolled, the employee would receive credit for service with the agency rendered prior to enrollment if either the agency or the employee pays the full purchase cost to the retirement system at the time of enrollment. An employee who was a member of the retirement system on the date continuous service with the agency began and who has not withdrawn the employee contributions from the system shall participate in the retirement system under the former membership.

The interstate agency would for all purposes of the PERS be deemed an employer, and its eligible employees would be subject to the same membership, contribution and benefit provisions of the retirement system, and to certain general provisions of law covering members of all State-established pension funds, as are applicable to State employees.

FISCAL IMPACT

Because this legislation affects only employees of interstate agencies, and not State or local government employees in New Jersey, its enactment will not affect employer contributions by State or local government employers in this State.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 2161**

# **STATE OF NEW JERSEY**

DATED: DECEMBER 4, 2003

The Senate Budget and Appropriations Committee reports favorably a committee substitute for Senate Bill No. 2161.

This substitute bill provides for enrollment in the Public Employees' Retirement System of New Jersey (PERS) of eligible employees of any bi- or multi-state agency in which New Jersey is a participant.

The PERS statute currently provides for enrollment in the system of employees of various specified independent agencies and instrumentalities, including several interstate agencies (e.g., the Palisades Interstate Park and Delaware River Basin commissions). This bill establishes an enrollment provision covering employees of all interstate agencies and prescribes the terms and conditions applicable to coverage of new enrollees under that provision.

Under the bill, the PERS is directed to enroll an eligible officer or employee (other than a police officer or firefighter) of a bi-state or multi-state agency established by an interstate compact to which New Jersey is a party if (i) the person is a State resident at the time of appointment with the agency, and (ii) the governing body of the agency has certified to the retirement system its approval for enrollment in the system of the employee class within which the person is included. The certification could apply retroactively to individuals commencing service with the agency on or after January 1, 2002. Any individual eligible for membership under such a certification would have the option whether or not to be enrolled.

Once enrolled, the employee would receive credit for service with the agency rendered prior to enrollment if either the agency or the employee pays the full purchase cost to the retirement system at the time of enrollment. An employee who was a member of the retirement system on the date continuous service with the agency began and who has not withdrawn the employee contributions from the system shall participate in the retirement system under the former membership. The interstate agency would for all purposes of the PERS be deemed an employer, and its eligible employees would be subject to the same membership, contribution and benefit provisions of the retirement system, and to certain general provisions of law covering members of

all State-established pension funds, as are applicable to State employees.

**FISCAL IMPACT**

Because this legislation affects only employees of interstate agencies, and not State or local government employees in New Jersey, its enactment will not affect employer contributions by State or local government employers in this State. It is noted that the employer contribution rate that would apply to employees enrolled in PERS under the bill is currently 5.05 percent of compensation.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

**SENATE, No. 2161**

**STATE OF NEW JERSEY**

DATED: JANUARY 16, 2003

The Senate State Government Committee reports favorably Senate, No. 2161.

This bill provides that officers and employees of the Port Authority of New York and New Jersey, except for police officers and firefighters, who are residents of the State of New Jersey and who are appointed or employed after its effective date, will have the option of enrolling in either the Public Employees' Retirement System of New Jersey (PERS) or a substantially similar pension or retirement system or fund for general public employees in the State of New York. Currently, Port Authority officers and general public employees are enrolled in the New York State public employees' retirement system regardless of their state of residency.

This legislation would take effect only if legislation is enacted in the State of New York with an identical effect.

STATEMENT TO  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 2161**

with Senate Floor Amendments  
(Proposed By Senator SULIGA)

ADOPTED: DECEMBER 11, 2003

This amendment would require an officer or employee of a bi-state or multi-state agency to enroll in the Public Employees' Retirement System of New Jersey within 90 days of becoming eligible.

In addition, the amendment prohibits the officer or employee from being enrolled in more than one retirement system based on the same service with the agency.