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HEARINGS: No

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RWH/CL

P.L. 2020, CHAPTER 151, *approved January 7, 2021*
Senate, No. 487 (*First Reprint*)

1 AN ACT ¹, designated as the “Dominick Marino PFRS Enhanced
2 Benefits for Surviving Spouses Act,”¹ concerning the accidental
3 death benefit of the Police and Firemen’s Retirement System and
4 amending P.L.1944, c.255.

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

8
9 ¹1. This act shall be known as the “Dominick Marino PFRS
10 Enhanced Benefits for Surviving Spouses Act.”¹

11
12 ¹**[1.]** ^{2.}¹ Section 10 of P.L.1944, c.255 (C.43:16A-10) is
13 amended to read as follows:

14 10. (1) Upon the death of a member in active service as a result
15 of:

16 (a) an accident met in the actual performance of duty at some
17 definite time and place, or

18 (b) service in the reserve component of the Armed Forces of the
19 United States or the National Guard in a federal active duty status,
20 and such death was not the result of the member's willful
21 negligence, an accidental death benefit shall be payable if a report
22 of the accident is filed in the office of the retirement system within
23 60 days next following the accident, but the board of trustees may
24 waive such time limit, for a reasonable period, if in the judgment of
25 the board the circumstances warrant such action. No such
26 application shall be valid or acted upon unless it is filed in the
27 office of the retirement system within five years of the date of such
28 death.

29 The provisions of this subsection shall also apply to a member
30 who is a fireman and who dies as a result of an accident met in the
31 actual performance of duty as a volunteer fireman in any
32 municipality in the State, provided the member's death was not the
33 result of the member's willful negligence.

34 (2) Upon the receipt of proper proofs of the death of a member
35 on account of which an accidental death benefit is payable, there
36 shall be paid to his widow or widower a pension of 70% of the
37 compensation**[.]** upon which contributions by the member to the
38 annuity savings fund were based in the last year of creditable
39 service, or a pension of \$50,000 ¹when death occurs on or after the
40 effective date of P.L. , c. (pending before the Legislature as this
41 bill)¹, whichever is greater, for the use of herself or himself and 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.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly floor amendments adopted November 16, 2020.

1 children of the deceased member; if there is no surviving widow or
2 widower or in case the widow or widower dies, 70% of such
3 compensation will be payable to the member's surviving child or
4 surviving children in equal shares.

5 If there is no surviving widow, widower or child, 25% of the
6 compensation upon which contributions by the member to the
7 annuity savings fund were based in the last year of creditable
8 service, will be payable to one surviving dependent parent or 40%
9 of such compensation will be payable to two surviving parents in
10 equal shares.

11 In the event of accidental death occurring in the first year of
12 creditable service, the benefits, payable pursuant to this subsection,
13 shall be computed at the annual rate of compensation.

14 (3) If there is no surviving widow, widower, child or dependent
15 parent, there shall be paid to any other beneficiary of the deceased
16 member, his aggregate contributions at the time of death.

17 (4) In no case shall the death benefit provided in subsection (2)
18 be less than that provided under subsection (3).

19 (5) In addition to the foregoing benefits payable under
20 subsection (2) or (3), there shall also be paid in one sum to such
21 beneficiary, if living, as the member shall have nominated by
22 written designation duly executed and filed with the retirement
23 system, otherwise to the executor or administrator of the member's
24 estate, an amount equal to 3 1/2 times the compensation upon which
25 contributions by the member to the annuity savings fund were based
26 in the last year of creditable service.

27 (6) In addition to the foregoing benefits, the State shall pay to
28 the member's employer-sponsored health insurance program all
29 health insurance premiums for the coverage of the member's
30 surviving widow or widower and dependent children.

31 (cf: P.L.2016, c.26, s.4)

32

33 ¹[2.] 3.¹ This act shall take effect immediately.

34

35

36

37

38 "Dominick Marino PFRS Enhanced Benefits for Surviving
39 Spouses Act"; enhances PFRS accidental death benefit for surviving
40 spouse who becomes eligible after effective date by providing for
41 minimum of \$50,000 annually.

SENATE, No. 487

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

Senator BRIAN P. STACK

District 33 (Hudson)

Co-Sponsored by:

Senator A.M.Bucco

SYNOPSIS

Enhances PFRS accidental death pension for surviving spouse by providing for minimum of \$50,000 annually.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/24/2020)

S487 SACCO, STACK

2

1 AN ACT concerning the accidental death benefit of the Police and
2 Firemen's Retirement System and amending P.L.1944, c.255.

3

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

6

7 1. Section 10 of P.L.1944, c.255 (C.43:16A-10) is amended to
8 read as follows:

9 10. (1) Upon the death of a member in active service as a result
10 of:

11 (a) an accident met in the actual performance of duty at some
12 definite time and place, or

13 (b) service in the reserve component of the Armed Forces of the
14 United States or the National Guard in a federal active duty status,
15 and such death was not the result of the member's willful
16 negligence, an accidental death benefit shall be payable if a report
17 of the accident is filed in the office of the retirement system within
18 60 days next following the accident, but the board of trustees may
19 waive such time limit, for a reasonable period, if in the judgment of
20 the board the circumstances warrant such action. No such
21 application shall be valid or acted upon unless it is filed in the
22 office of the retirement system within five years of the date of such
23 death.

24 The provisions of this subsection shall also apply to a member
25 who is a fireman and who dies as a result of an accident met in the
26 actual performance of duty as a volunteer fireman in any
27 municipality in the State, provided the member's death was not the
28 result of the member's willful negligence.

29 (2) Upon the receipt of proper proofs of the death of a member
30 on account of which an accidental death benefit is payable, there
31 shall be paid to his widow or widower a pension of 70% of the
32 compensation **[,]** upon which contributions by the member to the
33 annuity savings fund were based in the last year of creditable
34 service, or a pension of \$50,000, whichever is greater, for the use of
35 herself or himself and the children of the deceased member; if there
36 is no surviving widow or widower or in case the widow or widower
37 dies, 70% of such compensation will be payable to the member's
38 surviving child or surviving children in equal shares.

39 If there is no surviving widow, widower or child, 25% of the
40 compensation upon which contributions by the member to the
41 annuity savings fund were based in the last year of creditable
42 service, will be payable to one surviving dependent parent or 40%
43 of such compensation will be payable to two surviving parents in
44 equal shares.

45 In the event of accidental death occurring in the first year of
46 creditable service, the benefits, payable pursuant to this subsection,
47 shall be computed at the annual rate of compensation.

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.

S487 SACCO, STACK

1 (3) If there is no surviving widow, widower, child or dependent
2 parent, there shall be paid to any other beneficiary of the deceased
3 member, his aggregate contributions at the time of death.

4 (4) In no case shall the death benefit provided in subsection (2)
5 be less than that provided under subsection (3).

6 (5) In addition to the foregoing benefits payable under
7 subsection (2) or (3), there shall also be paid in one sum to such
8 beneficiary, if living, as the member shall have nominated by
9 written designation duly executed and filed with the retirement
10 system, otherwise to the executor or administrator of the member's
11 estate, an amount equal to 3 1/2 times the compensation upon which
12 contributions by the member to the annuity savings fund were based
13 in the last year of creditable service.

14 (6) In addition to the foregoing benefits, the State shall pay to
15 the member's employer-sponsored health insurance program all
16 health insurance premiums for the coverage of the member's
17 surviving widow or widower and dependent children.
18 (cf: P.L.2016, c.26, s.4)

19

20 2. This act shall take effect immediately.

21

22

23

STATEMENT

24

25 This bill enhances the accidental death benefit of the Police and
26 Firemen's Retirement System (PFRS) for a member's surviving
27 spouse. Currently, that benefit is 70% of the compensation upon
28 which contributions by the member to PFRS were based in the last
29 year of creditable service. The bill provides an alternative benefit, if
30 larger, of \$50,000 annually.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 487

STATE OF NEW JERSEY

DATED: OCTOBER 19, 2020

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably Senate Bill No. 487.

This bill enhances the accidental death benefit of the Police and Firemen's Retirement System (PFRS) for a member's surviving spouse. Currently, that benefit is 70% of the compensation upon which contributions by the member to PFRS were based in the last year of creditable service. The bill provides an alternative benefit, if larger, of \$50,000 annually.

Dominick Marino, late past-president of the Professional Firefighters Association (IAFF/AFL-CIO), was the impetus for this bill.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

STATEMENT TO

SENATE, No. 487

with Assembly Floor Amendments
(Proposed by Assemblywoman JIMENEZ)

ADOPTED: NOVEMBER 16, 2020

These Assembly amendments designate the bill as the “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act” and specify that the alternative death benefit of \$50,000 annually is available to the surviving spouse of a member who dies on or after the effective date of the bill. These amendments make the bill identical to Assembly Bill No. 2317 (1R).

ASSEMBLY, No. 2317

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblywoman ANGELICA M. JIMENEZ

District 32 (Bergen and Hudson)

Assemblyman PEDRO MEJIA

District 32 (Bergen and Hudson)

Co-Sponsored by:

Assemblyman Auth, Assemblywoman Tucker and Assemblyman Giblin

SYNOPSIS

Enhances PFRS accidental death benefit for surviving spouse who becomes eligible after effective date by providing for minimum of \$50,000 annually.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/5/2020)

1 AN ACT concerning the accidental death benefit of the Police and
2 Firemen's Retirement System and amending P.L.1944, c.255

3

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

6

7 1. Section 10 of P.L.1944, c.255 (C.43:16A-10) is amended to
8 read as follows:

9 10. (1) Upon the death of a member in active service as a result
10 of:

11 (a) an accident met in the actual performance of duty at some
12 definite time and place, or

13 (b) service in the reserve component of the Armed Forces of the
14 United States or the National Guard in a federal active duty status,
15 and such death was not the result of the member's willful
16 negligence, an accidental death benefit shall be payable if a report
17 of the accident is filed in the office of the retirement system within
18 60 days next following the accident, but the board of trustees may
19 waive such time limit, for a reasonable period, if in the judgment of
20 the board the circumstances warrant such action. No such
21 application shall be valid or acted upon unless it is filed in the
22 office of the retirement system within five years of the date of such
23 death.

24 The provisions of this subsection shall also apply to a member
25 who is a fireman and who dies as a result of an accident met in the
26 actual performance of duty as a volunteer fireman in any
27 municipality in the State, provided the member's death was not the
28 result of the member's willful negligence.

29 (2) Upon the receipt of proper proofs of the death of a member
30 on account of which an accidental death benefit is payable, there
31 shall be paid to his widow or widower a pension of 70% of the
32 compensation **[,]** upon which contributions by the member to the
33 annuity savings fund were based in the last year of creditable
34 service, or a pension of \$50,000 when death occurs on or after the
35 effective date of P.L. , c. (pending before the Legislature as this
36 bill), whichever is greater, for the use of herself or himself and the
37 children of the deceased member; if there is no surviving widow or
38 widower or in case the widow or widower dies, 70% of such
39 compensation will be payable to the member's surviving child or
40 surviving children in equal shares.

41 If there is no surviving widow, widower or child, 25% of the
42 compensation upon which contributions by the member to the
43 annuity savings fund were based in the last year of creditable
44 service, will be payable to one surviving dependent parent or 40%
45 of such compensation will be payable to two surviving parents in
46 equal shares.

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.

1 In the event of accidental death occurring in the first year of
2 creditable service, the benefits, payable pursuant to this subsection,
3 shall be computed at the annual rate of compensation.

4 (3) If there is no surviving widow, widower, child or dependent
5 parent, there shall be paid to any other beneficiary of the deceased
6 member, his aggregate contributions at the time of death.

7 (4) In no case shall the death benefit provided in subsection (2)
8 be less than that provided under subsection (3).

9 (5) In addition to the foregoing benefits payable under
10 subsection (2) or (3), there shall also be paid in one sum to such
11 beneficiary, if living, as the member shall have nominated by
12 written designation duly executed and filed with the retirement
13 system, otherwise to the executor or administrator of the member's
14 estate, an amount equal to 3 1/2 times the compensation upon which
15 contributions by the member to the annuity savings fund were based
16 in the last year of creditable service.

17 (6) In addition to the foregoing benefits, the State shall pay to
18 the member's employer-sponsored health insurance program all
19 health insurance premiums for the coverage of the member's
20 surviving widow or widower and dependent children.

21

22 2. This act shall take effect immediately.

23

24

25

STATEMENT

26

27 This bill enhances the accidental death benefit of a member of
28 the Police and Firemen's Retirement System (PFRS) for a
29 member's surviving spouse. Currently, that benefit is 70 percent of
30 the compensation upon which contributions by the member to PFRS
31 were based in the last year of creditable service. The bill provides
32 an alternative benefit, if larger, of \$50,000 annually for the
33 surviving spouse of a member who dies on or after the effective
34 date of this bill.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2317

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 12, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2317, with committee amendments.

As amended, this bill, designated as the “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act,” enhances the accidental death benefit of a member of the Police and Firemen’s Retirement System (PFRS) for a member’s surviving spouse. Currently, that benefit is 70 percent of the compensation upon which contributions by the member to PFRS were based in the last year of creditable service. The bill provides an alternative benefit, if larger, of \$50,000 annually for the surviving spouse of a member who dies on or after the effective date of this bill.

COMMITTEE AMENDMENTS

The committee amended the bill to designate it as the “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act.”

FISCAL IMPACT:

The Office of Legislative Services estimates that this bill will result in indeterminate, marginal State and local cost increases because its provision would apply only when the annual compensation of a member of the Police and Firemen’s Retirement System (PFRS) is less than \$71,429 at the time of death. The 2010 and 2013 experience studies and actuarial valuations for the PFRS indicate that out of ten accidental deaths since 2007, only one PFRS member, who died before 2010, had a salary below \$71,429 at the time of death.

According to a recent actuarial valuation, local PFRS members earn salaries greater than \$71,429 per year after four years of service and State PFRS members earn salaries greater than this amount after nine years of service.

According to the 2013 experience study, the incident rate of a PFRS accidental death is 0.296 percent, with the highest probability of the expected incidents of accidental death in the 40 to 44 and 45 to 49 year-old age groups.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 2317

STATE OF NEW JERSEY 219th LEGISLATURE

DATED: NOVEMBER 19, 2020

SUMMARY

- Synopsis:** “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act”; enhances PFRS accidental death benefit for surviving spouse who becomes eligible after effective date by providing for minimum of \$50,000 annually.
- Type of Impact:** Periodic expenditure increase to the State General Fund and local government entities.
- Agencies Affected:** Division of Pensions and Benefits, Department of the Treasury; local government entities.

Office of Legislative Services Estimate

Periodic Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost Increase*		Indeterminate	
Local Cost Increase*		Indeterminate	

- PFRS Employer Contribution
- The Office of Legislative Services (OLS) estimates that this bill will result in indeterminate, marginal State and local cost increases because its provision would apply only when the annual compensation of a member of the Police and Firemen’s Retirement System (PFRS) is less than \$71,429 at the time of death. The 2010 and 2013 experience studies and actuarial valuations for the PFRS indicate that out of ten accidental deaths since 2007, only one PFRS member, who died before 2010, had a salary below \$71,429 at the time of death.
- According to a recent actuarial valuation, local PFRS members earn salaries greater than \$71,429 per year after four years of service and State PFRS members earn salaries greater than this amount after nine years of service.
- According to the 2013 experience study, the incident rate of a PFRS accidental death is 0.296 percent, with the highest probability of the expected incidents of accidental death in the 40 to 44 and 45 to 49 year-old age groups.

BILL DESCRIPTION

This bill enhances the accidental death benefit of a member of the PFRS for a member's surviving spouse. Currently, that benefit is 70 percent of the compensation upon which contributions by the member to PFRS were based in the last year of creditable service. The bill provides an alternative benefit, if larger, of \$50,000 annually for the surviving spouse of a member who dies on or after the effective date of this bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that this bill will result in indeterminate, marginal State and local cost increases because its provision would apply only when the annual compensation of a member of the PFRS is less than \$71,429 at the time of death. The 2010 and 2013 experience studies and actuarial valuations indicate that out of ten accidental death incidents since 2007, only one PFRS member, who died before 2010, had a salary below \$71,429 at the time of death. According to a recent actuarial valuation, local PFRS members earn salaries greater than \$71,429 per year after four years of service and State PFRS members earn salaries greater than this amount after nine years of service. According to the 2013 experience study, the incident rate of a PFRS accidental death is 0.296 percent with the highest probability of the expected incidents of accidental death in the 40 to 44 and 45 to 49 year-old age groups. Currently, the total average annual compensation for all PFRS-local members is \$99,691 and the total average annual compensation for a PFRS-State member is \$70,507.

Section: State Government
Analyst: Aggie Szilagy
Section Chief
Approved: Thomas Koenig
Assistant Legislative Budget and Finance Officer

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 (C.52:13B-6 et seq.).

Governor Murphy Signs the “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act”

01/7/2021

TRENTON – Today, Governor Phil Murphy signed S487, also known as the “Dominick Marino PFRS Enhanced Benefits for Surviving Spouses Act”. The legislation is named after Dominick Marino, a former professional firefighter and past President of the Professional Firefighters Association of New Jersey (PFANJ), who passed away earlier last year. The new law will provide financial security for a member’s surviving spouse by ensuring that the accidental death benefit provided by the Police and Firemen’s Retirement System cannot be below \$50,000 annually.

“A fierce advocate who put his heart and soul into everything he did for his PFANJ brothers and sisters, Dominick was a dear friend to me and to so many of us,” **said Governor Murphy**. “It is my great honor to sign this bill to cement Dominick’s legacy and help ensure that our first responders’ loved ones who are left behind are taken care of.”

“The health and well-being of his firefighters, EMTs, paramedics, as well as their families, were very important to our father. He continued to work hard and fight for them every day,” **said the Marino Family**. “This bill is just one example of his hard work and dedication to them, and we are honored to have this bill named after him.”

“Senate Bill 487, named after Past-President Dominick Marino exemplifies ‘Donnie’ and all that he represented as President of the Professional Firefighters Association of New Jersey (PFANJ) before his untimely death in April 2020,” **said Steve McConlogue, President of the Professional Firefighters Association of New Jersey**. “He was the driving force behind this bill and felt passionately about ensuring that the families of those who made the ultimate sacrifice are taken care of regardless of years of service. As firefighters, we show up each and every day knowing the danger and risks involved and, just as we believe in the importance of protecting and serving the members of our communities, we believe in taking care of each other. This bill helps to ensure we are doing just that. Thank you to the members of the PFANJ who have worked tirelessly to help move this bill across the finish line and to the members of the General Assembly and Senate for passing this bill unanimously. Thank you Governor Murphy for signing this bill into law.”

“Members of the public safety community put their lives on the line every day to protect and save the lives of every person in New Jersey,” **said Senator Brian Stack**. “So, it is absolutely a tragedy when they die in the line of duty, and even worse when they leave behind a surviving spouse. This is why Senator Sacco and I worked to enhance the accidental death benefit of the Police and Firemen’s Retirement System. Collectively, we have to look out for these families when they lose loved ones.”

“As a mayor, it breaks my heart when I read about the accidental death of a police officer or firefighter,” **said Senator Nicholas Sacco**. “And if I find out they left behind a surviving family; my first instinct is to do whatever I can to help regardless of where in the state they may be. Enhancing the accidental death benefit in their pension to provide a minimum amount will prevent them from having financial issues due to the loss of their spouse.”

“Too many of our first responders, unfortunately, give their lives to keep their communities safe. We will never be able to fully give back to those brave heroes, but the very least we can do is make sure their families are cared for,” **said Assemblymembers Angelica Jimenez, Pedro Mejia, and Carol Murphy in a joint statement**. “Expanding the accidental death pension will benefit many families of fallen police officers and firefighters. It’s another way we can continue to express our utmost respect and gratitude for their loved one’s service.”