

43:6A-3 et al

LEGISLATIVE HISTORY CHECKLIST

(Contribution by Judges to Judicial Retirement System--3% of salary increase)

NJSA 43:6A-3 et al.

LAWS 1981

CHAPTER 470

Bill No. A3798

Sponsor(s) Hurley and others

Date Introduced Jan. 4, 1982

Committee: Assembly -----

Senate -----

Amended during passage

~~Yes~~

No

Substituted for S3551 (not attached since identical to A3798)

Date of Passage: Assembly Jan. 11, 1982

Senate Jan. 11, 1982

Date of approval Jan. 11, 1982

Following statements are attached if available:

Sponsor statement	Yes	No	(Below)
Committee Statement: Assembly	Yes	No	
Senate	Yes	No	
Fiscal Note	Yes	No	
Veto Message	Yes	No	
Message on signing	Yes	No	

Following were printed:

Reports	Yes	No
Hearings	Yes	No

Sponsors' statement:

This bill provides for a member of the Judicial Retirement System to contribute 3% of any increase in the amount of the salary for any position the member holds or may hold on or after January 19, 1982 over the salary for that position on January 18, 1982.

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470 1-11-82
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ASSEMBLY, No. 3798

STATE OF NEW JERSEY

INTRODUCED JANUARY 4, 1982

By Assemblymen HURLEY, D. GALLO, KARCHER and DOYLE

(Without Reference)

AN ACT concerning the Judicial Retirement System of New Jersey,
amending and supplementing P. L. 1973, c. 140 and amending
P. L. 1973, c. 304.

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

1 1. Section 3 of P. L. 1973, c. 140 (C. 43:6A-3) is amended to
2 read as follows:

3 3. As used in this act:

4 a. "Accumulated deductions" means the sum of all amounts,
5 deducted from the compensation of a member or contributed by him
6 or on his behalf, standing to the credit of his individual account
7 in the annuity saving fund.

8 b. "Annuity" means payments for life derived from the accu-
9 mulated deductions of a member as provided in this amendatory
10 and supplementary act.

11 c. "Annuity reserve" means the present value of all payments
12 to be made on account of any annuity or benefit in lieu of an annuity
13 computed, on the basis of such mortality tables recommended by
14 the actuary as the State House Commission adopts with regular
15 interest.

16 [a.] d. "Beneficiary" means any person entitled to receive any
17 benefit pursuant to the provisions of this act by reason of the death
18 of a member or retirant.

19 [b.] e. "Child" means a deceased member's or retirant's un-
20 married child who is either (a) under the age of 18 (b) of any age
21 who, at the time of the member's or retirant's death, is disabled
22 because of mental retardation or physical incapacity, is unable to
23 do any substantial, gainful work because of the impairment and
24 his impairment has lasted or can be expected to last for a con-
25 tinuous period of not less than 12 months, as affirmed by the medical
26 board or (c) under the age of 21 and is attending school full time.

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

27 **[c.] f.** "Compensation" means the base salary, for services as
 28 a member as defined in this act, which is in accordance with estab-
 29 lished salary policies of the State for all employees in the same
 30 position but shall not include individual salary adjustments which
 31 are granted primarily in anticipation of the member's retirement
 32 or additional remuneration for performing temporary duties
 33 beyond the regular work schedule.

34 **[d.] g.** "Final salary" means the annual salary received by
 35-39 the member at the time of his retirement or death.

40 **[e.] h.** "Fiscal year" means any year commencing with July 1
 41 and ending with June 30 next following.

42 **[f.] i.** "Medical board" means the board of physicians pro-
 43 vided for in section 29 of this act.

44 **[g.] j.** "Member" means the Chief Justice and associate justices
 45 of the Supreme Court, judges of the Superior Court, **[County**
 46 **Courts,]** county district courts, *tax court* and juvenile and domestic
 47 relations courts of the State of New Jersey required to be enrolled
 48 in the retirement system established by this act.

49 For purposes of this act, the person holding the office of standing
 50 master by appointment pursuant to P. L. 1948, c. 382 or N. J. S.
 51 2A:1-7 shall have the same privileges and obligations under this
 52 act as a judge of a **[County]** *Superior Court*.

53 **[h.] k.** "Parent" means the parent of a member who was receiv-
 54 ing at least one-half of his support from the member in the 12-month
 55 period immediately preceding the member's death or the accident
 56 which was the direct cause of the member's death. The dependency
 57 of such a parent will be considered terminated by marriage of the
 58 parent subsequent to the death of the member.

59 **[i.] l.** "Pension" means payment for life derived from contribu-
 60 tions by the State.

61 **[j.] m.** "Pension reserve" means the present value of all pay-
 62 ments to be made on account of any pension or benefit in lieu of a
 63 pension computed on the basis of such mortality tables recom-
 64 mended by the actuary as shall be adopted by the State House
 65 Commission with regular interest.

66 **[k.] n.** "Regular interest" means interest as determined an-
 67 nually by the State Treasurer after consultation with the Directors
 68 of the Divisions of Investment and Pensions and the actuary of
 69 the system. It shall bear a reasonable relationship to the per-
 70 centage rate of earnings on investments but shall not exceed 105%
 71 of such percentage rate.

72 **[l.] o.** "Retirant" means any former member receiving a pension
 73 or retirement allowance as provided by this act.

74 *p.* "Retirement allowance" means the pension plus the annuity.

75 **[m.] q.** "Retirement system" herein refers to the "Judicial
76 Retirement System of New Jersey," which is the corporate name
77 of the arrangement for the payment of pensions, *retirement allow-*
78 *ances* and other benefits under the provisions of this act including
79 the several funds placed under said system. By that name, all
80 of its business shall be transacted, its funds invested, warrants for
81 money drawn, and payments made and all of its cash and securities
82 and other property held.

83 **[n.] r.** "Service" means public service rendered for which credit
84 is allowed on the basis of contributions made by the State.

85 **[o.] s.** "Several courts" means the Supreme, Superior, **[County,]**
86 county district, *tax* and juvenile and domestic relations courts.

86A **[p.] t.** "Widow" means the woman to whom a member or a
87 retirant was married at least 4 years before the date of his death
88 and to whom he continued to be married until the date of his death.
89 The eligibility of such a widow to receive a survivor **[pension]**
90 benefit will be considered terminated by the marriage of the widow
91 subsequent to the member's or the retirant's death. In the event
92 of accidental death the 4-year qualification shall be waived. When
93 used in this act, the term "widow" shall mean and include
94 "widower" as may be necessary and appropriate to the particular
95 situation.

96 **[q.] u.** "Widower" means the man to whom a member or a
97 retirant was married at least 4 years before the date of her death
98 and to whom she continued to be married until the date of her
99 death. The eligibility of such a widower to receive a survivor
100 **[pension]** benefit will be considered terminated by the marriage of
101 the widower subsequent to the member's or retirant's death. In the
102 event of accidental death the 4-year qualification shall be waived.

1 2. Section 8 of P. L. 1973, c. 140 (C. 43:6A-8) is amended to
2 read as follows:

3 8. a. Any member who shall have served at least 10 years as a
4 judge of the several courts and having attained the age of 70 years,
5 shall be retired.

6 b. Any member who shall have served at least 15 years as a
7 judge of the several courts and having attained the age of 65 years
8 but not the age of 70 years, may retire.

9 c. Any member who shall have served at least 20 years as a
10 judge of the several courts and having attained the age of 60 years
11 but not the age of 65 years, may retire.

12 d. Service in the several courts as given in subsections a., b. and
13 c. of this section shall include service in the office of the Chancellor,

14 Chief Justice of the old Supreme Court, associate justice of the
 15 old supreme court, judge of the circuit court, Vice-Chancellor,
 16 judge of the court of errors and appeals, judge of the court of
 17 common pleas, and advisory master to the superior court.

18 e. Any member of the retirement system eligible to retire under
 19 the provisions of this section, shall receive **[an annual]** *a retire-*
 20 *ment allowance consisting of an annuity which shall be the actuarial*
 21 *equivalent of his accumulated deductions together with regular*
 22 *interest, and a pension which, when added to the member's annuity,*
 23 *will provide a retirement allowance* during the remainder of his
 24 life in the amount equal to three-quarters of his final salary.

1 3. Section 9 of P. L. 1973, c. 140 (C. 43:6A-9) is amended to
 2 read as follows:

3 9. a. Any judge of the several courts, who shall have served at
 4 least 5 years successively as such judge and shall have attained
 5 the age of 65 years or more while serving in such office and shall
 6 have served at least 15 years in the aggregate, including such ser-
 7 vice as a judge, or in office, position, or employment of this State
 8 or of a county, municipality, board of education or public agency
 9 of this State, may retire.

10 b. Any judge of the several courts, who shall have served at least
 11 5 years successively as such judge and shall have attained the age
 12 of 60 years or more while serving in such office and shall have
 13 served at least 20 years in the aggregate, including such service
 14 as a judge, or in office, position, or employment of this State or of
 15 a county, municipality, board of education or public agency of this
 16 State, may retire.

17 c. Any member of the retirement system, eligible to retire under
 18 the provisions of this section, shall receive **[an annual]** *a retire-*
 19 *ment allowance consisting of an annuity which shall be the actuarial*
 20 *equivalent of his accumulated deductions together with regular*
 21 *interest, and a pension which, when added to the member's annuity,*
 22 *will provide a retirement allowance* during the remainder of his
 23 life in an amount equal to one-half of his final salary.

1 4. Section 10 of P. L. 1973, c. 140 (C. 43:6A-10) is amended to
 2 read as follows:

3 10. Should any member resign, or fail of reappointment who
 4 shall have served at least 5 years successively as a judge of the
 5 several courts and at least 25 years in the aggregate, including
 6 such service as a judge or in office, position, or employment of this
 7 State or a county, municipality, board of education, or public
 8 agency of this State, before reaching age 60, he may elect "early"
 9 retirement, provided, that such election is communicated by such

10 member to the retirement system by filing a written application,
11 duly attested, stating at what time subsequent to the execution and
12 filing thereof he desires to be retired. He shall receive *an annuity*
13 *which is the actuarial equivalent of his accumulated deductions*
14 *together with regular interest, and a pension which, when added*
15 *to the member's annuity, will provide a retirement allowance in*
16 *the amount of 2% of his final salary multiplied by his number*
17 *of years of service up to 25 plus 1% of his final salary multiplied*
18 *by his number of years of service over 25; provided, however, that*
19 such [pension] *retirement allowance shall be reduced in accord-*
20 *ance with a table of actuarial equivalents recommended by the*
21 *actuary and adopted by the retirement system reflecting all months*
22 *that the member lack of being age 60.*

23 The State House Commission shall retire him at the time speci-
24 fied or at such other time within 1 month after the date so specified
25 as the commission finds advisable.

1 5. Section 11 of P. L. 1973, c. 140 (C. 43:6-11) is amended to
2 read as follows:

3 11. Should any member resign, or fail of reappointment who
4 shall have served at least 5 years successively as a judge of the
5 several courts and at least 10 years in the aggregate, including such
6 service as a judge or in office, position, or employment of this State
7 or a county, municipality, board of education, or public agency of
8 this State, before reaching age 60, and not by removal for cause or
9 charges of misconduct or delinquency, he may elect to receive [a]:

10 a. *All of his accumulated deductions standing to the credit of*
11 *his individual account in the annuity savings fund, or;*

12 b. *A deferred [pension] retirement allowance, beginning on*
13 *the first day of the month following his attainment of age 60 and*
14 *the filing of an application therefor, which shall consist of an*
15 *annuity derived from the accumulated deductions standing to the*
16 *credit of the member's account in the annuity savings fund at the*
17 *time of his severance from service together with regular interest,*
18 *and a pension which, when added to the annuity, will produce a*
19 *retirement allowance in the amount of 2% of his final salary multi-*
20 *plied by his number of years of service up to 25 plus 1% of his*
21 *final salary multiplied by his number of years of service over 25,*
22 *provided that such inactive member may elect to receive payments*
23 *provided under section 10 if he had qualified under that section*
24 *at the time of leaving service, except that in order to avail himself*
25 *of the option, he must exercise such option at least 1 month before*
26 *the effective date of his retirement. If such inactive member shall*
27 *die after attaining age 60 but before filing an application for retire-*

28 ment benefits pursuant to this section or section 10 and for which
29 benefits he would have qualified, or in the event of death after re-
30 tirement, there shall be paid to such member's beneficiary the
31 death benefits prescribed by section 19.

32 No beneficiary shall be eligible for a pension or *survivor's benefit*
33 if the member who elected to receive a deferred pension *prior to*
34 *the effective date of this amendatory and supplementary act or*
35 *who elects to receive a deferred retirement allowance following*
36 *the effective date of this amendatory and supplementary act* shall
37 die before attaining age 60. *Upon receipt of the proper proofs of*
38 *death, the beneficiary of a member who elects to receive a deferred*
39 *retirement allowance shall be paid the member's accumulated de-*
40 *ductions at the time of death together with regular interest.*

41 Any member who, having elected to receive a deferred pension
42 or *deferred retirement allowance*, again becomes a member while
43 under the age of 60, shall thereupon be reenrolled. He shall be
44 credited with all service as a member standing to his credit at the
45 time of his election to receive a deferred pension or *deferred re-*
46 *tirement allowance.*

1 6. Section 12 of P. L. 1973, c. 140 (C. 43:6A-12) is amended to
2 read as follows:

3 12. Whenever the Supreme Court shall certify to the Governor,
4 any member who shall have served as a judge of the several courts,
5 may be retired for disability if the member has become physically
6 or otherwise incapacitated for full and efficient service to the State
7 in his judicial capacity. The Governor shall thereupon refer the
8 disability claim to three physicians of skill and repute in their
9 profession and residents of this State who shall examine the
10 member and report to the Governor as to his physical or other
11 disability and whether in all reasonable probability, if they find
12 the disability existent, it will continue permanently and does and
13 will continue to prevent the member from giving full and efficient
14 service in the performance of his judicial duties. If the report
15 confirms the existence of the disability, and if the Governor ap-
16 proves the report, the member shall be retired not less than 1
17 month next following the date of filing of an application with the
18 retirement system, and he shall receive [an annual] *a retirement*
19 *allowance wthich shall consist of an annuity which is the actuarial*
20 *equivalent of his accumulated deductions together with regular*
21 *interest, and a pension which, when added to the member's annuity,*
22 *will provide a retirement allowance during the remainder of his*
23 *life in an amount equal to three-fourths of his final salary.*

1 7. Section 13 of P. L. 1973, c. 140 (C. 43:6A-13) is amended to
2 read as follows:

3 13. a. No member of the retirement system shall, while receiving
4 a pension or *retirement allowance* pursuant to this act, engage in
5 the practice of law before any of the courts of this State.

6 b. Subject to rules of the Supreme Court, any justice of the
7 Supreme Court who has retired on pension or *retirement allowance*
8 may, with his consent, be recalled by the Supreme Court for
9 temporary service in the Supreme Court or elsewhere within the
10 judicial system, and any judge of the Superior Court, [county
11 court,] juvenile and domestic relations court or county district
12 court who has retired on pension or *retirement allowance* may, with
13 his consent, be recalled by the Supreme Court for temporary
14 service within the judicial system other than the Supreme Court.

15 c. Upon such recall the retired justice or judge shall have all the
16 powers of a justice or judge of the court to which he is assigned
17 and shall be paid a per diem allowance fixed by the Supreme Court
18 in accordance with its rules, provided however that in no event shall
19 he receive a salary which together with his pension or *retirement*
20 *allowance* exceeds the current salary of a justice or judge of the
21 court from which he retired. In addition the recalled justice or
22 judge shall be reimbursed for reasonable expenses actually incurred
23 by him in connection with his assignment and shall be provided
24 with such facilities as may be required in the performance of his
25 duties. Such per diem compensation and expenses shall be paid by
26 the State.

27 d. Payment for services and expenses shall be made in the same
28 manner as payment is made to the justices or judges of the court
29 from which he retired.

30 e. The Supreme Court is empowered to adopt such rules as it
31 deems necessary or appropriate for the prompt and efficient admin-
32 istration of justice in furtherance of the purposes of this act.

1 8. Section 14 of P. L. 1973, c. 140 (C. 43:6A-14) is amended to
2 read as follows:

3 14. a. Any judge who is required to be a member of the retire-
4 ment system established by this act and who holds membership in
5 a retirement system established pursuant to any other law of this
6 State shall cease to be a member of such other retirement system
7 as of the effective date of this act. Any person becoming a judge
8 of the several courts after the effective date of this act, who holds
9 membership in a retirement system established pursuant to any
10 other law of this State shall cease to be a member of such other
11 retirement system on the date he becomes such judge.

12 b. Any such judge shall, upon his request, receive a refund of
13 his contributions to such retirement system, without interest, less
14 any unpaid balance of an outstanding loan, as of the effective date
15 of this act or the date on which he becomes such judge, whichever is
16 later. If any such judge shall be eligible for benefits under any such
17 retirement system as of the effective date of this act, or if later,
18 as of the date he becomes such judge, he may elect to receive an
19 annuity based on his own contributions while continuing to serve
20 as such judge; provided, however, that if any such judge shall sub-
21 sequently elect to receive benefits under the provisions of this act,
22 all rights to retirement and death benefits under any other law of
23 this State shall thereby be terminated except as hereinafter pro-
24 vided in subsection c.

25 c. If any such judge elects to receive benefits pursuant to the
26 provisions of this act after having received benefits from a retire-
27 ment system established pursuant to another law of this State, such
28 judge shall be entitled to receive the value of his contributions,
29 without interest, to such other retirement system reduced by the
30 value of any benefits received from such retirement system.

31 If any such judge dies in service before he could elect to receive
32 the benefits pursuant to the provisions of this act, after having
33 received benefits from a retirement system established pursuant to
34 another law of this State, his eligible beneficiary shall be entitled to
35 receive the value of the member's contributions, without interest,
36 to such other retirement system reduced by the value of any benefits
37 received by the judge from such retirement system.

38 *d. After the effective date of this amendatory and supplementary*
39 *act, any person appointed to be a judge to sit on any of the several*
40 *courts who holds membership in a State-administered retirement*
41 *system may elect to transfer the service for which he has been*
42 *credited in that system to the Judicial Retirement System of New*
43 *Jersey. The transfer shall be accomplished by filing forms satis-*
44 *factory to the New Jersey Division of Pensions, which is respon-*
45 *sible for the administration of the Judicial Retirement System,*
46 *within 90 days following the effective date of this amendatory and*
47 *supplementary act or his appointment to one of the several courts,*
48 *whichever is later.*

49 *e. Within 120 days following the filing of forms provided in*
50 *subsection d. of this section, the former retirement system of the*
51 *judge shall remit to the Judicial Retirement System of New Jersey*
52 *all accumulated deductions standing to his credit and within 180*
53 *days following the filing of the forms the retirement system shall*
54 *remit the pro rata part of the reserve fund constituting the*

55 *employer's obligations under the former system applicable to the*
 56 *employee's account, and the Judicial Retirement System of New*
 57 *Jersey shall then enter the respective sums so remitted to it to the*
 58 *credit of the judge in the annuity savings fund and to the credit*
 59 *of the employer in the contingency reserve fund of the Judicial*
 60 *Retirement System of New Jersey. All outstanding obligations*
 61 *such as loans, purchases, and other arrangements shall be met by the*
 62 *judge as previously scheduled for payment to his former retire-*
 63 *ment system.*

64 *f. In the event that the value of the money so remitted to the*
 65 *Judicial Retirement System is less than the total which is required*
 66 *by the retirement system to provide the transferred member with*
 67 *credit for his public service, the liability of the State shall include*
 68 *an amount equal to the difference between these two values.*

1 9. Section 16 of P. L. 1973, c. 140 (C. 43:6A-16) is amended to
 2 read as follows:

3 16. All pensions *or retirement allowances* granted under the
 4 provisions of this act shall be effective on the first day following
 5 retirement, shall be paid in equal monthly installments, except that
 6 in those instances where payment is required for a portion of a
 7 month which is not complete a pro rata payment shall be made,
 8 and shall not be decreased, increased, revoked or repealed, except
 9 as otherwise provided in this act.

10 Upon the death of a retirant, any unpaid benefits due him shall
 11 be paid in one lump sum to his beneficiary. No pension *or retire-*
 12 *ment allowance* shall be due to a retirant or a beneficiary unless it
 13 constitutes a payment for an entire month.

1 10. Section 17 of P. L. 1973, c. 140 (C. 43:6A-17) is amended to
 2 reads as follows:

3 17. a. Upon the receipt of proper proofs of the death in active
 4 service of a member of the retirement system, there shall be paid
 5 to his widow a **[pension]** *survivor's benefit* of 25% of final salary
 6 for the use of herself, to continue during her widowhood, plus 10%
 7 of final salary payable to one surviving child or plus 15% of final
 8 salary to two or more surviving children; if there is no surviving
 9 widow or in case the widow dies or remarries, 15% of final salary
 10 will be payable to one surviving child, 20% of final salary to two
 11 surviving children in equal shares and if there be three or more
 12 children, 30% of final salary will be payable to such children in
 13 equal shares. If there is no surviving widow or child, 20% of final
 14 salary will be payable to one surviving parent or 30% of final salary
 15 will be payable to two surviving parents in equal shares.

16 b. In addition to the foregoing benefits payable under subsection
 17 a., there shall also be paid in one sum to the member's beneficiary
 18 an amount equal to one and one-half times the final salary received
 19 by the member.

20 c. *For the purposes of this section final salary means the cur-*
 21 *rent salary for the judicial position in which the member served*
 22 *at the time of death.*

1 11. Section 18 of P. L. 1973, c. 140 (C. 43:5A-18) is amended to
 2 read as follows:

3 18. Upon the receipt of proper proofs of the death after retire-
 4 ment of a member of the retirement system, there shall be paid
 5 to his widow a [pension] *survivor's benefit* of 25% of final salary
 6 for the use of herself, to continue during her widowhood, plus 10%
 7 of final salary payable to one surviving child or plus 15% of final
 8 salary to two or more surviving children; if there is no surviving
 9 widow or in case the widow dies or remarries, 15% of final salary
 10 will be payable to one surviving child, 20% of final salary to two
 11 surviving children in equal shares and if there be three or more
 12 children, 30% of final salary will be payable to such children in
 13 equal shares. *For the purposes of this section final salary means*
 14 *the current salary for the judicial position in which the member*
 15 *served at retirement.*

1 12. Section 19 of P. L. 1973, c. 140 (C. 43:6A-19) is amended to
 2 read as follows:

3 19. Upon the receipt of proper proofs of the death of a member
 4 who has retired on a pension *or retirement allowance* based on age
 5 and service, or pursuant to section 10, there shall be paid to the
 6 member's beneficiary, an amount equal to one-fourth of the final
 7 salary received by the member.

1 13. Section 20 of P. L. 1973, c. 140 (C. 43:6A-20) is amended to
 2 read as follows:

3 20. Upon the receipt of proper proofs of the death of a member
 4 who has retired on a disability pension *or retirement allowance*,
 5 there shall be paid to the member's beneficiary, an amount equal
 6 to one and one-half times the final salary received by the member
 7 if such death occurs before the member shall have attained 60 years
 8 of age but if such death occurs thereafter, an amount equal to one-
 9 fourth of the final salary received by the member.

1 14. Section 32 of P. L. 1973, c. 140 (C. 43:6A-32) is amended to
 2 read as follows:

3 32. Under this act there shall be established a contingent reserve
 4 fund, *an annuity savings fund*, and a retirement reserve fund.

1 15. Section 34 of P. L. 1973, c. 140 (C. 43:6A-34) is amended
2 to read as follows:

3 34. The retirement reserve fund shall be the fund from which
4 all pensions *and retirement allowances* shall be paid.

5 Upon the retirement of a member, the reserve needed to produce
6 the pension shall be transferred from the contingent reserve fund
7 *his accumulated deductions together with regular interest shall*
8 *be transferred to the retirement reserve fund from the annuity*
9 *savings fund. The reserve needed to produce the pension shall be*
10 *transferred from the contingent reserve fund. If the pension of a*
11 *member who has been retired is subsequently canceled, the ap-*
12 *propriate reserve shall be transferred to the contingent reserve*
13 *fund. If the retirement allowance of a member who has been re-*
14 *tired is subsequently canceled, the appropriate reserve shall be*
15 *transferred to the annuity savings fund and the contingent reserve*
16 *fund.*

17 Any surplus or deficit developing in the retirement reserve fund
18 shall be adjusted from time to time by transfer to or from the
19 contingent reserve fund by appropriate action of the retirement
20 system upon the advice of the actuary.

1 16. Section 35 of P. L. 1973, c. 140 (C. 43:6A-35) is amended
2 to read as follows:

3 35. The retirement system at the end of each fiscal year shall
4 allow interest on the balance of the contingent reserve fund, *the*
5 *annuity savings fund*, and the retirement reserve fund as of the
6 beginning of said fiscal year at the regular interest rate applicable
7 thereto to cover the interest creditable to the respective funds for
8 the year. The amount so allowed shall be due and payable to said
9 funds and shall be credited annually.

1 17. Section 36 of P. L. 1973, c. 140 (C. 43:6A-36) is amended
2 to read as follows:

3 36. Regular interest charges payable, the creation and mainte-
4 nance of reserves in the contingent reserve fund, the maintenance
5 of retirement reserves as provided for in this act and the payment
6 of all pensions, *retirement allowances*, and other benefits granted
7 by the State House Commission under the provisions of this act
8 are hereby made obligations of the State. All income, interest and
9 dividends derived from deposits and investments authorized by
10 this act shall be used for the payment of these obligations of the
11 State.

12 Upon the basis of such actuarial determination and appraisal
13 provided for in this act an itemized estimate of the amounts neces-
14 sary to be appropriated by the State to the various funds to provide

15 for the payment in full during the ensuing fiscal year of the obliga-
 16 tions of the State accruing during that year shall be submitted
 17 by the retirement system to the Governor so that it may be in-
 18 cluded in the budget request submitted by the Governor to the
 19 Legislature. The Legislature shall make an appropriation sufficient
 20 to provide for such obligations of the State. The amounts so
 21 appropriated shall be paid into the [various funds created by
 22 this act] *contingent reserve fund*.

1 18. Section 37 of P. L. 1973, c. 140 (C. 43:6A-37) is amended to
 2 read as follows:

3 37. a. No other provisions of the law in any other statute which
 4 provides wholly or partly at the expense of the State of New Jersey
 5 or any political subdivision thereof for pensions or retirement
 6 benefits for members of this system and for beneficiaries shall
 7 apply to such members or beneficiaries.

8 b. Notwithstanding anything to the contrary, the retirement
 9 system shall not be liable for the payment of any pensions, *retire-*
 10 *ment allowances* or other benefits to any member or beneficiary for
 11 which reserves have not been previously created from funds con-
 12 tributed by the *members or the State* for such benefits.

1 19. Section 39 of P. L. 1973, c. 140 (C. 43:6A-39) is amended
 2 to read as follows:

3 39. Any member or any beneficiary who has been or, in the future,
 4 may be retired, or receive a pension, *retirement allowance* or benefit
 5 pursuant to the provisions of this act, may, by filing written request
 6 with the retirement system, waive payment of a portion of the
 7 pension, *retirement allowance* or benefit to which he may be entitled.

8 Upon the receipt of such waiver, and until the same is withdrawn,
 9 altered or revoked by a subsequent written request, similarly filed,
 10 the retirement system shall pay a reduced pension, *retirement*
 11 *allowance* or benefit, as shall be requested in such waiver. The mem-
 12 ber or the beneficiary shall not be entitled to a refund, or credit,
 13 for such moneys as shall have been waived during the period such
 14 waiver had been in effect.

1 20. Section 40 of P. L. 1973, c. 140 (C. 43:6A-40) is amended
 2 to read as follows:

3 40. If possible, whenever any retirant or beneficiary shall, in
 4 writing, request the Division of Pensions to make deductions from
 5 his pension or *retirement allowance* for the purpose of paying
 6 premiums for the pensioners group health insurance plan or the
 7 State Health Benefits program, the division may make such deduc-
 8 tions and transmit the sums so deducted to the companies carrying
 9 the policies. Any such written authorization may be withdrawn by

10 any retirant or beneficiary upon filing notice of such withdrawal
11 with the division.

1 21. Section 41 of P. L. 1973, c. 410 (C. 43:6A-41) is amended
2 to read as follows :

3 41. The right of a person to a pension, *retirement allowance* or
4 any benefit or right accrued or accruing to a person under the
5 provisions of this act and the moneys in the various funds created
6 under this act, shall be exempt from any State or municipal tax
7 and from levy and sale, garnishment, attachment or any other
8 process arising out of any State or federal court, and, except as
9 hereinafter in this section and as in this act otherwise provided,
10 shall be unassignable.

11 Nothing in this section shall prohibit any person insured under
12 a group insurance policy, pursuant to an arrangement among the
13 insured, the group policyholder and the insurer, from making to
14 any person other than his employer, a gift assignment of the rights
15 and benefits conferred on him by any provision of such policy or
16 by law including specifically but not by way of limitation the right
17 to exercise the conversion privilege and the right to name a
18 beneficiary. Any such assignment, whether made before or after
19 the effective date of this act, shall entitle the insurer to deal with
20 the assignee as the owner of all rights and benefits conferred on
21 the insured under the policy in accordance with the terms of the
22 assignment.

1 22. Section 44 of P. L. 1973, c. 140 (C. 43:6A-44) is amended
2 to read as follows :

3 44. Any other provision of this act notwithstanding, (a) no
4 beneficiary of a retirant who retired for any reason other than
5 disability shall be entitled to receive benefits pursuant to the death
6 benefit coverages provided by sections 19 and 20 of this act if the
7 retirant had less than 10 years of service credit for retirement
8 purposes at the time of retirement; and (b) no member or bene-
9 ficiary shall be entitled to receive a monthly pension, *retirement*
10 *allowance* or other benefit payable pursuant to this act unless the
11 amount of the pension, *retirement allowance* or benefit would be
12 at least \$25.00 per month.

1 23. Section 5 of P. L. 1973, c. 304 (C. 43:6A-9.1) is amended
2 to read as follows :

3 5. Any judge of the several courts who shall have attained the
4 age of 60 years or more and who shall have served at least 5 years
5 successively as a judge of the several courts and at least 15 years
6 in the aggregate including such service as a judge or in office,
7 position or employment of this State or a county, municipality,

8 board of education, or public agency of this State may retire pro-
9 vided that election is communicated by such judge to the retirement
10 system by filing a written application duly attested stating at what
11 time subsequent to the execution and filing thereof he desires to be
12 retired. He shall receive *an annuity which is the actuarial equiv-*
13 *alent of his accumulated deductions together with regular interest,*
14 *and a pension which, when added to the member's annuity, will*
15 *provide a retirement allowance in the amount of 2% of his final*
16 *salary multiplied by his number of years of service up to 25 plus*
17 *1% of his final salary multiplied by his number of years of service*
18 *over 25.*

19 The State House Commission shall retire him at the time specified
20 or at such other time within 1 month after the date so specified
21 as the commission finds advisable.

1 24. Section 6 of P. L. 1973, c. 304 (C. 43:6A-9.2) is amended
2 to read as follows:

3 6. Any judge of the several courts who shall have attained the
4 age of 60 years or more while serving as such judge may retire
5 provided that such election is communicated by such member to the
6 retirement system by filing a written application duly attested stat-
7 ing at what time subsequent to the execution and filing thereof he
8 desires to be retired. He shall receive *an annuity which is the*
9 *actuarial equivalent of his accumulated deductions together with*
10 *regular interest, and a pension which, when added to the member's*
11 *annuity, will provide a retirement allowance in the amount of 2%*
12 *of his final salary multiplied by his number of years of judicial*
13 *service up to 25 plus 1% of his final salary multiplied by his num-*
14 *ber of years of service over 25.*

15 The State House Commission shall retire him at the time specified
16 or at such other time within 1 month after the date so specified as
17 the commission finds advisable.

1 25. a. (New section) Following the effective date of this amenda-
2 tory and supplementary act, any judge who shall be appointed
3 to sit on any of the several courts who wishes to receive credit
4 for previous service rendered in office, position or employment
5 of this State or of a county, municipality, board of education, or
6 public agency of this State, shall file an application therefor with
7 the State House Commission and pay into the annuity savings
8 fund the amount required by applying the factor, supplied by the
9 actuary, as being applicable to his age at the time of purchase, to
10 his salary at that time. Such purchase may be made in regular
11 installments, equal to at least one-half the full normal contribution
12 to the retirement system over a maximum period to be determined
13 by the State House Commission.

14 In the case of any person coming under the provisions of this
15 section, full pension credit for the period of employment for which
16 arrears are being paid shall be given upon the payment of at least
17 one-half the total arrearage obligation and the completion of 1
18 year of membership and the making of such arrears payments,
19 except that in the case of retirement pursuant to sections 9., 10.
20 or 11. of P. L. 1973, c. 140 or sections 5. or 6. of P. L. 1973, c. 304
21 the total membership credit for such service shall be in direct pro-
22 portion as the amount paid bears to the total amount of arrearage
23 obligation.

24 b. The State shall pay to the retirement system the employer's
25 accrued liability obligation on behalf of such person purchasing
26 prior service credit.

1 26. a. (New section) The annuity savings fund shall be the
2 fund to which shall be credited aggregate contributions made by
3 members or on their behalf to provide for their allowances. The
4 aggregate contributions of a member withdrawn by him or paid to
5 his estate or his designated beneficiary in the event of death as
6 provided by this amendatory and supplementary act shall be paid
7 from the annuity savings fund. Upon the retirement of a member
8 where the aggregate contributions of the member are to be pro-
9 vided in the form of an annuity, the aggregate contributions of the
10 member shall be transferred from the annuity savings fund to the
11 retirement reserve fund.

12 b. There shall be deducted from the payroll of each member of
13 the system 3% of the amount of any difference between the salary
14 on or after January 19, 1982 for any judicial position held by the
15 member and the salary for that position on January 18, 1982.

16 Every judge of the several courts to whom this amendatory and
17 supplementary act applies shall be deemed to consent and agree
18 to any deduction from his compensation required by this act and
19 to all other provisions of this act. Notwithstanding any other law,
20 rule or regulation affecting the salary, pay, compensation, other
21 perquisites, or tenure of person to whom this amendatory and
22 supplementary act applies, or shall apply, and notwithstanding
23 that the minimum salary, pay, or compensation or other perquisites
24 provided by law for him shall be reduced thereby, payment, less
25 such deductions, shall be a full and complete discharge and ac-
26 quittance of all claims and demands for service rendered by him
27 during the period covered by such payment.

1 27. (New section) The State House Commission at the end of
2 each fiscal year shall allow interest on the balance of the annuity
3 savings fund, contingent reserve fund and the retirement reserve

4 fund as of the beginning of said fiscal year at the regular interest
5 rate applicable thereto to cover the interest creditable to the re-
6 spective funds for the year. The amount so allowed shall be due
7 and payable to the funds and shall be credited annually thereto
8 by the commission.

1 28. (New section) This amendatory and supplementary act is
2 subject to the following provisos:

3 a. Any person who has retired on or before the effective date of
4 this amendatory and supplementary act and is receiving or is en-
5 titled to receive a pension and benefits from the retirement system,
6 shall continue to receive the same pension and benefits or shall
7 continue to be entitled to receive the same pension and benefits.

8 b. Any beneficiary who is receiving a survivor's benefit or is
9 eligible to receive a survivor's benefit as provided by the retirement
10 system on or before the effective date of this amendatory and sup-
11 plementary act, shall continue to receive or be eligible to receive
12 the survivor's benefit.

13 c. No person who is a member of the retirement system on the
14 effective date of this amendatory and supplementary act shall be
15 required to make contributions for service for which he has received
16 credit as a judge in any of the several courts or in office, position
17 or employment of this State or of a county, municipality, board of
18 education or public agency of this State; provided, however, that
19 the person shall make contributions as may be required pursuant
20 to section 26b. of this amendatory and supplementary act.

1 29. This act shall take effect on January 19, 1982 provided
2 Assembly Bill Nos. 3799, 3800, 3801 and 3802 of 1981 are enacted
3 into law.

STATEMENT

This bill provides for a member of the Judicial Retirement Sys-
tem to contribute 3% of any increase in the amount of the salary
for any position the member holds or may hold on or after January
19, 1982 over the salary for that position on January 18, 1982.

FOR IMMEDIATE RELEASE:

FOR FURTHER INFORMATION:

JANUARY 11, 1982

DAVE DE MAIO

Governor Brendan Byrne late last night signed a package of five bills which together raise the salaries of the Governor, State legislators; the Governor's cabinet members, and members of the judiciary, and turn the Judicial Retirement System into a partial contributory system.

The five bills were tied together by the Legislature, requiring the enactment of all for any one to become effective.

A-3799 increases the Governor's salary from \$65,000 to \$85,000 per year;

A-3800 raises each State legislator's salary from \$18,000 to \$25,000 per year, beginning in 1984;

A-3802 increases Cabinet salaries from \$56,000 to \$70,000 per year, with the exception of the Defense Department Chief of Staff, whose salary is raised from \$53,000 to \$67,500 per year;

A-3801 raises the salary of the Supreme Court's Chief Justice from \$65,000 to \$80,000 per year, the Court's Associate Justices from \$63,000 to \$73,000, Appellate Division judges from \$60,000 to \$75,000, Assignment judges \$58,000 to \$73,000, and all other court judges from \$55,000 to \$70,000 per year; and

A-3798 requires that three-percent of the judicial salary increase granted in A-3801 be contributed to the Judicial Retirement System each year. Judges were previously not required to contribute to a State pension plan.

With the exception of of A-3798, which was sponsored by Assemblyman James R. Hurley (R-Cape May), all the bills were sponsored by Assemblyman Dean A. Gallo (R-Morris).

All of the bills take effect January 19, 1982, although legislative pay raises will not become effective until 1984.

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