

SENATE, No. 1004

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1972

By Senators McDERMOTT, BATEMAN and EPSTEIN

(Without Reference)

AN ACT to amend the "Public Employees' Retirement System Act," approved June 28, 1954 (P. L. 1954, c. 84), as said short title was amended by P. L. 1971, c. 213, s. 35.

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

1 1. Section 17 of P. L. 1954, c. 84 (C. 43:15A-17) is amended to
2 read as follows:

3 17. Subject to the provisions of P. L. 1955, c. 70 the general
4 responsibility for the proper operation of the Public Employees'
5 Retirement System shall be vested in the board of trustees. Subject
6 to the limitations of the law, the board shall annually establish
7 rules and regulations for the administration and transaction of
8 its business and for the control of the funds created by this subtitle.
9 Such rules and regulations shall be consistent with those adopted
10 by the other pension funds within the Division of Pensions in
11 order to permit the most economical and uniform administration
12 of all such retirement systems.

13 The membership of the board shall consist of the following:

14 a. Two trustees appointed by the Governor, who shall serve at the
15 pleasure of the Governor and until their successors are appointed,
16 who shall be private citizens of the State of New Jersey and who
17 are neither an officer thereof nor active or retired members of the
18 system.

19 b. The State Treasurer or the Deputy State Treasurer, when
20 designated for that purpose by the State Treasurer.

21 c. Three trustees elected for a term of 3 years from among and
22 by the [active members of the retirement system or by the delegates
23 elected for this purpose by the membership, one of whom shall be
24 elected each year for a term commencing on April 1, following such
25 election in such manner as the board of trustees may prescribe]

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

26 member employes of the State in a manner prescribed by the board
27 of trustees.

28 d. One trustee [not an active or retired member nor an officer
29 of the State, elected by the other trustees, other than the State
30 Treasurer, for a term of 3 years] elected for a term of 3 years
31 from among and by the member employes of counties and the
32 same method of holding an election from time to time used for the
33 State employes' representatives shall be followed in elections held
34 for county representatives.

35 e. Three trustees elected for a term of 3 years from among and
36 by the member employes of municipalities and the same method
37 of holding an election from time to time used for the State em-
38 ployees' representatives shall be followed in elections held for
39 municipal representatives.

40 A vacancy occurring in the board of trustees shall be filled by the
41 appointment or election of a successor in the same manner as his
42 predecessor.

43 Each member of the board shall, upon appointment or election,
44 take an oath of office that, so far as it devolves upon him, he will
45 diligently and honestly administer the board's affairs, and that he
46 will not knowingly violate or willfully permit to be violated any
47 provision of law applicable to this act. The oath shall be sub-
48 scribed to by the member making it, certified by the officer before
49 whom it is taken and filed immediately in the office of the Secretary
50 of State.

51 Each trustee shall be entitled to one vote in the board and a
52 majority of all the votes of the entire board shall be necessary for a
53 decision by the board of trustees at a meeting of the board. The
54 board shall keep a record of all its proceedings, which shall be open
55 to public inspection.

56 The members of the board shall serve without compensation but
57 shall be reimbursed for any necessary expenditures. No employee
58 shall suffer loss of salary or wages through the serving on the
59 board.

60 The terms of office of the members of the board of trustees on
61 the effective date of this amendatory and supplementary act shall
62 continue for the periods for which they were appointed or elected.

63 The State Treasurer shall designate a medical board after con-
64 sultation with the Director of the Division of Pensions, subject to
65 veto by the board of trustees for valid reason. It shall be composed
66 of three physicians who are not eligible to participate in the retire-
67 ment system. The medical board shall pass upon all medical exam-
68 inations required under the provisions of this act, shall investigate

69 all essential statements and certificates by or on behalf of a member
70 in connection with an application for disability retirement, and shall
71 report in writing to the retirement system its conclusions and
72 recommendations upon all matters referred to it.

1 2. This act shall take effect immediately.

ASSEMBLY COMMITTEE AMENDMENT TO
SENATE, No. 1004

STATE OF NEW JERSEY

ADOPTED JULY 6, 1972

Amend page 2, section 1, line 35, delete "Three", and insert "Two".

[ASSEMBLY REPRINT]

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with Assembly Committee Amendment adopted July 6, 1972

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25 election in such manner as the board of trustees may prescribe
26 *member employes of the State in a manner prescribed by the board*
27 *of trustees.*

28 d. One trustee [not an active or retired member nor an officer
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30 Treasurer, for a term of 3 years] *elected for a term of 3 years*
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32 *same method of holding an election from time to time used for the*
33 *State employees' representatives shall be followed in elections held*
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CHAPTER 26 LAWS OF N. J. 19 73
APPROVED 2-16-73

[OFFICIAL COPY REPRINT]
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