

43:15A-74, 43:15A-75

LEGISLATIVE HISTORY CHECKLIST

NJSA 43:15A-74, 43:15A-75 (Amends "Public Employees' Retirement System Act"--board of Education employees eligible for certain benefits.)

Laws of 1977 Chapter 389

Bill No. S815

Sponsor(s) Bateman

Date Introduced Pre-filed

Committee: Assembly Labor, Industry, and Professions

Senate State Gov't, Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes No

Date of passage: Assembly May 16, 1977

Senate Nov. 15, 1976

Date of approval February 23, 1978

Following statements are attached if available:

Sponsor statement Yes No

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

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10/4/76

SENATE, No. 815

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1976 SESSION

By Senator BATEMAN

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.

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

1 1. Section 74 of P. L. 1954, c. 84 (C. 43:15A-74) is amended to
2 read as follows:

3 74. Except as otherwise provided in the case of public employee
4 veterans or in subsection b. of section 75 of this act, this act shall
5 not become effective in any county, *board of education* or municipi-
6 pality which has not previously been covered by the former "State
7 Employees' Retirement System" until its governing body shall,
8 by resolution, have directed that the question of adoption by that
9 county, *board of education* or municipality shall be submitted to
10 the qualified voters thereof at a general election and a majority
11 of the voters voting on the question at such election shall have
12 voted in favor of its adoption. This act shall be effective without
13 referendum in any county, *board of education* or municipality in
14 which chapter 15 of Title 43 of the Revised Statutes has been
15 adopted. Any employee of any such county, *board of education* or
16 municipality who prior to July 1, 1955, has filed an application
17 covering service rendered to such county, *board of education* or
18 municipality prior to the date upon which chapter 15 of Title 43
19 of the Revised Statutes became effective therein shall be entitled
20 to prior service covering such service.

1 2. Section 75 of P. L. 1954, c. 84 (C. 43:15A-75) is amended to
2 read as follows:

3 75. (a) If this act is so adopted it shall become effective in the
4 county or municipality adopting it on June 30 of the following year.
5 Membership in the Public Employees' Retirement System shall

6 be optional with the employees of the county, *board of education*
7 or municipality in the service on the day the act so becomes effec-
8 tive or on June 30, 1966, whichever is earlier in such county, *board*
9 *of education* or municipality except in the case of public employee
10 veterans who on such date are members. An employee who elects
11 to become a member within 1 year after this act so takes effect
12 shall be entitled to prior service covering service rendered to the
13 county, *board of education* or municipality prior to July 1, 1966 or
14 prior to the date this act so becomes effective, whichever is earlier.
15 Membership shall be compulsory for all employees entering the
16 service of the county, *board of education* or municipality on July 1,
17 1966 or after the date this act becomes effective, whichever is
18 earlier. Where any such employee entering the service of the
19 county, *board of education* or municipality after the date this act
20 so becomes effective has had prior service for which evidence
21 satisfactory to the retirement system is presented, as an employee
22 in such county, *board of education* or municipality before the date
23 upon which this act so becomes effective, or July 1, 1966, whichever
24 is earlier, such employee shall be entitled to prior service covering
25 service rendered to the county, *board of education* or municipality
26 prior to the date this act so becomes effective, or July 1, 1966,
27 whichever is earlier.

28 (b) Notwithstanding the provisions of section 74 of this act and
29 subsection (a) of this section, every person, other than a non-
30 veteran elected official, becoming an employee of a county, *board*
31 *of education*, municipality or school district after June 30, 1966
32 who is not eligible to become a member of another retirement
33 system, shall be required to become a member of the Public Em-
34 ployees' Retirement System. Notwithstanding the provisions of
35 section 74 of this act and subsection (a) of this section, membership
36 in the retirement system shall be optional with any elected official
37 who is not a veteran, regardless of the date he assumes office, and
38 with any other person in the employ of any county, *board of*
39 *education*, municipality or school district on June 30, 1966, provided
40 such elected official or other person is not then a member and is
41 not required to be a member of the retirement system pursuant
42 to another provision of this act, and provided further that such
43 person is not eligible to be a member of another retirement system.
44 The provisions of this subsection shall not apply to any person
45 whose position is temporary or seasonal, nor to any person in
46 office, position or employment for which the annual salary or
47 remuneration is fixed at less than \$500.00, nor to any person whose

48 position is not covered by the old age and survivors' insurance
49 provisions of the Federal Social Security Act. No credit shall be
50 allowed to any person becoming a member of the retirement system
51 pursuant to this subsection for service rendered to the employer
52 prior to July 1, 1966, until the provisions of section 74 of this act
53 have been complied with, in which event such credit shall be allowed
54 in accordance with the provisions of subsection (a) of this section;
55 except that the governing body of any county, *board of education*
56 or municipality may, by resolution, consent to the allowance of
57 such credit and file a certified copy of such resolution with the
58 board of trustees of the Public Employees' Retirement System.

1 3. This act shall take effect immediately.

ASSEMBLY LABOR, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO
SENATE No. 815

STATE OF NEW JERSEY

DATED: JANUARY 31, 1977

The Statement of the Senate State Government, Federal and Interstate Relations and Veterans Affairs Committee adequately explains its provisions.

The bill received the strong support of the Division of Pensions.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
SENATE No. 815

—◆—
STATE OF NEW JERSEY
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DATED: OCTOBER 7, 1976

The purpose of this bill is to amend the Public Employees' Retirement System Act approved June 28, 1954 (P. L. 1954, c. 84) to make it possible for employees of boards of education to claim prior service and be covered by the Public Employees' Retirement System upon adoption of a resolution by the governing body of a board of education or as a result of a referendum among the voters of that school district.

The committee understands that there are a limited number of board of education employees who would be affected by this amendment. According to the fiscal note there is no fiscal impact on the State.

FISCAL NOTE TO
SENATE, No. 815

STATE OF NEW JERSEY

DATED: MARCH 26, 1976

Senate Bill No. 815 amends the Public Employees' Retirement System to permit prior service to be adopted on behalf of employees of a board of education as a result of a referendum among the voters in that school district or by the adoption of a resolution by the governing body of the board of education similar to action that may be taken by a county or municipality. This bill is to take effect immediately.

The Division of Pension comments—

“There would be no cost to the State as a result of this legislation and no cost to any other employer other than a school district electing to take advantage of the opportunity presented in the legislation. Since prior service is funded over a long period of time, the percentage of cost is normally about two or three percent of salary, although this may vary depending on the nature of the population to be covered and the amount of prior service to be extended.”

In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.