

43:6A-17.1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 74
NJSA: 43:6A-17.1 (Judicial retirement system—eligibility)
BILL NO: A3239 (Substituted for S2142)

SPONSOR(S): Russo and Cohen

DATE INTRODUCED: February 22, 2001

COMMITTEE: **ASSEMBLY:** Judiciary

SENATE: ----

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** March 29, 2001

SENATE: March 29, 2001

DATE OF APPROVAL: April 30, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Original version of bill enacted)

A3239

SPONSORS STATEMENT: (Begins on page 4 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

S2142

SPONSORS STATEMENT: (Begins on page 4 of original bill) Yes

Bill and Sponsors Statement identical to A3239

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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NEWSPAPER ARTICLES: No

ASSEMBLY, No. 3239

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED FEBRUARY 22, 2001

Sponsored by:

Assemblyman DAVID C. RUSSO

District 40 (Bergen and Passaic)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

Senator Martin

SYNOPSIS

Revises eligibility for and amount of contributory death benefit coverage in JRS.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/30/2001)

A3239 RUSSO, COHEN

2

1 AN ACT concerning additional death benefit coverage for members of
2 the Judicial Retirement System and amending P.L.1997, c.205.

3

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

6

7 1. Section 1 of P.L.1997, c.205 (C.43:6A-17.1) is amended to read
8 as follows:

9 1. a. Each member of the retirement system on the effective date
10 of [P.L.1997, c.205 (C.43:6A-17.1) and each person who thereafter
11 becomes a member] any insurance contract or program approved by
12 the State House Commission will be eligible to purchase the additional
13 death benefit coverage hereinafter described, provided the member
14 selects such coverage within [one year] 90 days after that effective
15 date [or after the effective date of membership, whichever date is
16 later].

17 b. A person becoming a member of the retirement system after the
18 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
19 contract or program approved by the State House Commission who on
20 the date of becoming a member is less than 60 years of age shall
21 automatically be covered for such additional death benefit coverage
22 from the first day of membership on which the person is actively at
23 work and performing all regular duties at the customary place of
24 employment. Such automatic coverage shall continue during the
25 member's first year of membership, and during that year the member
26 shall make contributions as fixed by the retirement system. Additional
27 death benefit coverage for the member shall continue in effect after the
28 first year of membership on the continuance of payment of the required
29 contributions therefor.

30 c. A person becoming a member of the retirement system after the
31 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
32 contract or program approved by the State House Commission who on
33 the date of becoming a member is 60 or more years of age may, within
34 one year from the date of membership, elect to purchase such
35 additional death benefit coverage, provided that the member furnishes
36 satisfactory evidence of insurability and on the date of such election is
37 actively at work and performing all regular duties at the customary
38 place of employment.

39 d. Notwithstanding other provisions of this section relating to the
40 amount of death benefit applicable to a member who has acquired or
41 shall acquire additional death benefit coverage, the death benefit
42 payable in the event of death occurring on or after the effective date

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 of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance contract or
2 program approved by the State House Commission and during the
3 first year of membership shall be based upon the member's annual base
4 salary. The effective date of coverage of any person electing to
5 purchase additional death benefit coverage pursuant to the provisions
6 of subsection a. or c. of this section shall be the first day of the month
7 immediately following the date of such election unless evidence of
8 insurability is required as a condition of such election in which event
9 the effective date of coverage shall be the first day of the month which
10 immediately follows the later of (1) the date of such election, or (2)
11 the date such evidence is determined to be satisfactory.

12 e. The State House Commission shall establish schedules of
13 contributions to be made by the members who elect to purchase the
14 additional death benefit coverage. Such contributions shall be so
15 computed that the contributions made by or on behalf of all covered
16 members in the aggregate shall be sufficient to provide for the cost of
17 the benefits provided under this section. Such schedules of
18 contributions shall be subject to adjustment from time to time by the
19 commission, as the need may appear.

20 f. Upon the receipt of proper proofs of the death in service of any
21 such member while covered for the additional death benefit coverage
22 there shall be paid to such person, if living, as the member shall have
23 nominated by written designation duly executed and filed with the
24 retirement system, otherwise to the executor or administrator of the
25 member's estate, an amount equal to one and one-half times the
26 compensation received by the member in the last year of creditable
27 service or some lesser or greater amount as may be provided by the
28 [retirement system and elected to purchase by the member] insurance
29 contract or program.

30 g. The contributions of a member for the additional death benefit
31 coverage shall be deducted from the member's compensation, but if
32 there is no compensation from which such contributions may be
33 deducted it shall be the obligation of the member to make such
34 contributions directly to the retirement system or as directed by the
35 State House Commission.

36 h. Any other provision of P.L.1973, c.140 (C.43:6A-1 et seq.)
37 notwithstanding, the contributions of a member for the additional
38 death benefit coverage under this section shall not be returnable to the
39 member or the member's beneficiary in any manner, or for any reason
40 whatsoever, nor shall any contributions made for the additional death
41 benefit coverage be included in any annuity payable to any such
42 member or beneficiary.

43 i. A member who has elected to purchase the additional death
44 benefit coverage provided by this section may file with the retirement
45 system, and alter from time to time during the member's lifetime as
46 desired, a duly attested nomination of the payee of the death benefit

1 provided under this section. Such member may also file with the
2 retirement system, and alter from time to time during the member's
3 lifetime as desired, a request directing payment of said benefit in one
4 sum or in equal annual installments over a period of years or as a life
5 annuity. Any such nomination or request shall be made in writing on
6 a form satisfactory to the retirement system and shall be effective upon
7 receipt by the retirement system. Upon the death of such member, a
8 beneficiary to whom a benefit is payable in one sum may elect to
9 receive the amount payable in equal annual installments over a period
10 of years or as a life annuity. If more than one beneficiary is nominated
11 and the member has not specified their respective interests, the
12 beneficiaries shall share equally. If any beneficiary predeceases the
13 member, the interest of that beneficiary shall terminate and shall be
14 shared equally by such of the beneficiaries as survive the member
15 unless the member has made written request to the contrary in the
16 beneficiary nomination. Any amounts due for which there is no
17 beneficiary at the death of the member or beneficiary shall be payable
18 to the estate of the member or beneficiary.

19 j. All other provisions of this section notwithstanding, this section
20 and the benefits provided under this section shall not come into effect
21 until a required percentage of the members shall have applied for the
22 additional death benefit coverage under this section. This required
23 percentage shall be fixed by the State House Commission.
24 Applications for such additional death benefit coverage shall be
25 submitted to the secretary of the commission, or such other person as
26 the commission may designate, in such manner and upon such forms
27 as the commission shall provide. The benefits, rights and options of
28 members and their beneficiaries shall be limited to and governed by the
29 provisions of any insurance contract or program approved by the
30 commission, subject to the provisions of this section.

31 (cf: P.L.1997, c.205, s.1)

32

33 2. This act shall take effect immediately.

34

35

36

STATEMENT

37

38 P.L.1997, c.205 enabled members of the Judicial Retirement System
39 (JRS) to purchase optional contributory death benefit coverage. JRS
40 members had one year from the effective date of that act to select such
41 coverage. This bill amends the law to give JRS members 90 days after
42 the State House Commission approves any insurance contract or
43 program for optional contributory death benefit coverage to select
44 such coverage. The bill also amends the law to provide that the
45 coverage may exceed one and one-half times the compensation
46 received by the member in the last year of creditable service.

ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3239

STATE OF NEW JERSEY

DATED: MARCH 22, 2001

The Assembly Judiciary Committee reports favorably Assembly Bill No. 3239.

P.L.1997, c.205 enabled members of the Judicial Retirement System (JRS) to purchase optional contributory death benefit coverage. JRS members had one year from the effective date of that act to select such coverage. This bill amends the law to give JRS members 90 days after the State House Commission approves any insurance contract or program for optional contributory death benefit coverage to select such coverage. The bill also amends the law to provide that the coverage may exceed one and one-half times the compensation received by the member in the last year of creditable service.

SENATE, No. 2142

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED FEBRUARY 15, 2001

Sponsored by:

Senator ROBERT J. MARTIN

District 26 (Essex, Morris and Passaic)

SYNOPSIS

Revises eligibility for and amount of contributory death benefit coverage in JRS.

CURRENT VERSION OF TEXT

As introduced.



S2142 MARTIN

2

1 AN ACT concerning additional death benefit coverage for members of
2 the Judicial Retirement System and amending P.L.1997, c.205.

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

6
7 1. Section 1 of P.L.1997, c.205 (C.43:6A-17.1) is amended to read
8 as follows:

9 1. a. Each member of the retirement system on the effective date
10 of [P.L.1997, c.205 (C.43:6A-17.1) and each person who thereafter
11 becomes a member] any insurance contract or program approved by
12 the State House Commission will be eligible to purchase the additional
13 death benefit coverage hereinafter described, provided the member
14 selects such coverage within [one year] 90 days after that effective
15 date [or after the effective date of membership, whichever date is
16 later].

17 b. A person becoming a member of the retirement system after the
18 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
19 contract or program approved by the State House Commission who on
20 the date of becoming a member is less than 60 years of age shall
21 automatically be covered for such additional death benefit coverage
22 from the first day of membership on which the person is actively at
23 work and performing all regular duties at the customary place of
24 employment. Such automatic coverage shall continue during the
25 member's first year of membership, and during that year the member
26 shall make contributions as fixed by the retirement system. Additional
27 death benefit coverage for the member shall continue in effect after the
28 first year of membership on the continuance of payment of the required
29 contributions therefor.

30 c. A person becoming a member of the retirement system after the
31 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
32 contract or program approved by the State House Commission who on
33 the date of becoming a member is 60 or more years of age may, within
34 one year from the date of membership, elect to purchase such
35 additional death benefit coverage, provided that the member furnishes
36 satisfactory evidence of insurability and on the date of such election is
37 actively at work and performing all regular duties at the customary
38 place of employment.

39 d. Notwithstanding other provisions of this section relating to the
40 amount of death benefit applicable to a member who has acquired or
41 shall acquire additional death benefit coverage, the death benefit
42 payable in the event of death occurring on or after the effective date

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 of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance contract or
2 program approved by the State House Commission and during the
3 first year of membership shall be based upon the member's annual base
4 salary. The effective date of coverage of any person electing to
5 purchase additional death benefit coverage pursuant to the provisions
6 of subsection a. or c. of this section shall be the first day of the month
7 immediately following the date of such election unless evidence of
8 insurability is required as a condition of such election in which event
9 the effective date of coverage shall be the first day of the month which
10 immediately follows the later of (1) the date of such election, or (2)
11 the date such evidence is determined to be satisfactory.

12 e. The State House Commission shall establish schedules of
13 contributions to be made by the members who elect to purchase the
14 additional death benefit coverage. Such contributions shall be so
15 computed that the contributions made by or on behalf of all covered
16 members in the aggregate shall be sufficient to provide for the cost of
17 the benefits provided under this section. Such schedules of
18 contributions shall be subject to adjustment from time to time by the
19 commission, as the need may appear.

20 f. Upon the receipt of proper proofs of the death in service of any
21 such member while covered for the additional death benefit coverage
22 there shall be paid to such person, if living, as the member shall have
23 nominated by written designation duly executed and filed with the
24 retirement system, otherwise to the executor or administrator of the
25 member's estate, an amount equal to one and one-half times the
26 compensation received by the member in the last year of creditable
27 service or some lesser or greater amount as may be provided by the
28 [retirement system and elected to purchase by the member] insurance
29 contract or program.

30 g. The contributions of a member for the additional death benefit
31 coverage shall be deducted from the member's compensation, but if
32 there is no compensation from which such contributions may be
33 deducted it shall be the obligation of the member to make such
34 contributions directly to the retirement system or as directed by the
35 State House Commission.

36 h. Any other provision of P.L.1973, c.140 (C.43:6A-1 et seq.)
37 notwithstanding, the contributions of a member for the additional
38 death benefit coverage under this section shall not be returnable to the
39 member or the member's beneficiary in any manner, or for any reason
40 whatsoever, nor shall any contributions made for the additional death
41 benefit coverage be included in any annuity payable to any such
42 member or beneficiary.

43 i. A member who has elected to purchase the additional death
44 benefit coverage provided by this section may file with the retirement
45 system, and alter from time to time during the member's lifetime as
46 desired, a duly attested nomination of the payee of the death benefit

1 provided under this section. Such member may also file with the
2 retirement system, and alter from time to time during the member's
3 lifetime as desired, a request directing payment of said benefit in one
4 sum or in equal annual installments over a period of years or as a life
5 annuity. Any such nomination or request shall be made in writing on
6 a form satisfactory to the retirement system and shall be effective upon
7 receipt by the retirement system. Upon the death of such member, a
8 beneficiary to whom a benefit is payable in one sum may elect to
9 receive the amount payable in equal annual installments over a period
10 of years or as a life annuity. If more than one beneficiary is nominated
11 and the member has not specified their respective interests, the
12 beneficiaries shall share equally. If any beneficiary predeceases the
13 member, the interest of that beneficiary shall terminate and shall be
14 shared equally by such of the beneficiaries as survive the member
15 unless the member has made written request to the contrary in the
16 beneficiary nomination. Any amounts due for which there is no
17 beneficiary at the death of the member or beneficiary shall be payable
18 to the estate of the member or beneficiary.

19 j. All other provisions of this section notwithstanding, this section
20 and the benefits provided under this section shall not come into effect
21 until a required percentage of the members shall have applied for the
22 additional death benefit coverage under this section. This required
23 percentage shall be fixed by the State House Commission.
24 Applications for such additional death benefit coverage shall be
25 submitted to the secretary of the commission, or such other person as
26 the commission may designate, in such manner and upon such forms
27 as the commission shall provide. The benefits, rights and options of
28 members and their beneficiaries shall be limited to and governed by the
29 provisions of any insurance contract or program approved by the
30 commission, subject to the provisions of this section.

31 (cf: P.L.1997, c.205, s.1)

32

33 2. This act shall take effect immediately.

34

35

36

STATEMENT

37

38 P.L.1997, c.205 enabled members of the Judicial Retirement System
39 (JRS) to purchase optional contributory death benefit coverage. JRS
40 members had one year from the effective date of that act to select such
41 coverage. This bill amends the law to give JRS members 90 days after
42 the State House Commission approves any insurance contract or
43 program for optional contributory death benefit coverage to select
44 such coverage. The bill also amends the law to provide that the
45 coverage may exceed one and one-half times the compensation
46 received by the member in the last year of creditable service.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 2142

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 2001

The Senate State Government Committee reports favorably Senate Bill No. 2142.

P.L.1997, c.205 enabled members of the Judicial Retirement System (JRS) to purchase optional contributory death benefit coverage. JRS members had one year from the effective date of that act to purchase this coverage. This bill amends the law to give current JRS members 90 days after the State House Commission approves any insurance contract or program for optional contributory death benefit coverage to purchase this coverage. The bill also amends the law to provide that the coverage may exceed one and one-half times the compensation received by the member in the last year of creditable service.

Senate Bill No. 2142 is the same as Assembly Bill No. 3239.

P.L. 2001, CHAPTER 74, *approved April 30, 2001*

Assembly, No. 3239

1 AN ACT concerning additional death benefit coverage for members of
2 the Judicial Retirement System and amending P.L.1997, c.205.

3

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

6

7 1. Section 1 of P.L.1997, c.205 (C.43:6A-17.1) is amended to read
8 as follows:

9 1. a. Each member of the retirement system on the effective date
10 of [P.L.1997, c.205 (C.43:6A-17.1) and each person who thereafter
11 becomes a member] any insurance contract or program approved by
12 the State House Commission will be eligible to purchase the additional
13 death benefit coverage hereinafter described, provided the member
14 selects such coverage within [one year] 90 days after that effective
15 date [or after the effective date of membership, whichever date is
16 later].

17 b. A person becoming a member of the retirement system after the
18 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
19 contract or program approved by the State House Commission who on
20 the date of becoming a member is less than 60 years of age shall
21 automatically be covered for such additional death benefit coverage
22 from the first day of membership on which the person is actively at
23 work and performing all regular duties at the customary place of
24 employment. Such automatic coverage shall continue during the
25 member's first year of membership, and during that year the member
26 shall make contributions as fixed by the retirement system. Additional
27 death benefit coverage for the member shall continue in effect after the
28 first year of membership on the continuance of payment of the required
29 contributions therefor.

30 c. A person becoming a member of the retirement system after the
31 effective date of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance
32 contract or program approved by the State House Commission who on
33 the date of becoming a member is 60 or more years of age may, within
34 one year from the date of membership, elect to purchase such
35 additional death benefit coverage, provided that the member furnishes
36 satisfactory evidence of insurability and on the date of such election is
37 actively at work and performing all regular duties at the customary
38 place of employment.

39 d. Notwithstanding other provisions of this section relating to the
40 amount of death benefit applicable to a member who has acquired or
41 shall acquire additional death benefit coverage, the death benefit

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 payable in the event of death occurring on or after the effective date
2 of [P.L.1997, c.205 (C.43:6A-17.1)] any insurance contract or
3 program approved by the State House Commission and during the
4 first year of membership shall be based upon the member's annual base
5 salary. The effective date of coverage of any person electing to
6 purchase additional death benefit coverage pursuant to the provisions
7 of subsection a. or c. of this section shall be the first day of the month
8 immediately following the date of such election unless evidence of
9 insurability is required as a condition of such election in which event
10 the effective date of coverage shall be the first day of the month which
11 immediately follows the later of (1) the date of such election, or (2)
12 the date such evidence is determined to be satisfactory.

13 e. The State House Commission shall establish schedules of
14 contributions to be made by the members who elect to purchase the
15 additional death benefit coverage. Such contributions shall be so
16 computed that the contributions made by or on behalf of all covered
17 members in the aggregate shall be sufficient to provide for the cost of
18 the benefits provided under this section. Such schedules of
19 contributions shall be subject to adjustment from time to time by the
20 commission, as the need may appear.

21 f. Upon the receipt of proper proofs of the death in service of any
22 such member while covered for the additional death benefit coverage
23 there shall be paid to such person, if living, as the member shall have
24 nominated by written designation duly executed and filed with the
25 retirement system, otherwise to the executor or administrator of the
26 member's estate, an amount equal to one and one-half times the
27 compensation received by the member in the last year of creditable
28 service or some lesser or greater amount as may be provided by the
29 [retirement system and elected to purchase by the member] insurance
30 contract or program.

31 g. The contributions of a member for the additional death benefit
32 coverage shall be deducted from the member's compensation, but if
33 there is no compensation from which such contributions may be
34 deducted it shall be the obligation of the member to make such
35 contributions directly to the retirement system or as directed by the
36 State House Commission.

37 h. Any other provision of P.L.1973, c.140 (C.43:6A-1 et seq.)
38 notwithstanding, the contributions of a member for the additional
39 death benefit coverage under this section shall not be returnable to the
40 member or the member's beneficiary in any manner, or for any reason
41 whatsoever, nor shall any contributions made for the additional death
42 benefit coverage be included in any annuity payable to any such
43 member or beneficiary.

44 i. A member who has elected to purchase the additional death
45 benefit coverage provided by this section may file with the retirement
46 system, and alter from time to time during the member's lifetime as

1 desired, a duly attested nomination of the payee of the death benefit
2 provided under this section. Such member may also file with the
3 retirement system, and alter from time to time during the member's
4 lifetime as desired, a request directing payment of said benefit in one
5 sum or in equal annual installments over a period of years or as a life
6 annuity. Any such nomination or request shall be made in writing on
7 a form satisfactory to the retirement system and shall be effective upon
8 receipt by the retirement system. Upon the death of such member, a
9 beneficiary to whom a benefit is payable in one sum may elect to
10 receive the amount payable in equal annual installments over a period
11 of years or as a life annuity. If more than one beneficiary is nominated
12 and the member has not specified their respective interests, the
13 beneficiaries shall share equally. If any beneficiary predeceases the
14 member, the interest of that beneficiary shall terminate and shall be
15 shared equally by such of the beneficiaries as survive the member
16 unless the member has made written request to the contrary in the
17 beneficiary nomination. Any amounts due for which there is no
18 beneficiary at the death of the member or beneficiary shall be payable
19 to the estate of the member or beneficiary.

20 j. All other provisions of this section notwithstanding, this section
21 and the benefits provided under this section shall not come into effect
22 until a required percentage of the members shall have applied for the
23 additional death benefit coverage under this section. This required
24 percentage shall be fixed by the State House Commission.
25 Applications for such additional death benefit coverage shall be
26 submitted to the secretary of the commission, or such other person as
27 the commission may designate, in such manner and upon such forms
28 as the commission shall provide. The benefits, rights and options of
29 members and their beneficiaries shall be limited to and governed by the
30 provisions of any insurance contract or program approved by the
31 commission, subject to the provisions of this section.

32 (cf: P.L.1997, c.205, s.1)

33

34 2. This act shall take effect immediately.

35

36

37

STATEMENT

38

39 P.L.1997, c.205 enabled members of the Judicial Retirement System
40 (JRS) to purchase optional contributory death benefit coverage. JRS
41 members had one year from the effective date of that act to select such
42 coverage. This bill amends the law to give JRS members 90 days after
43 the State House Commission approves any insurance contract or
44 program for optional contributory death benefit coverage to select
45 such coverage. The bill also amends the law to provide that the
46 coverage may exceed one and one-half times the compensation

1 received by the member in the last year of creditable service.

2

3

4

5

6 Revises eligibility for and amount of contributory death benefit
7 coverage in JRS.

CHAPTER 74

AN ACT concerning additional death benefit coverage for members of the Judicial Retirement System and amending P.L.1997, c.205.

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

1. Section 1 of P.L.1997, c.205 (C.43:6A-17.1) is amended to read as follows:

C.43:6A-17.1 Additional death benefit for members of Judicial Retirement System.

1. a. Each member of the retirement system on the effective date of any insurance contract or program approved by the State House Commission will be eligible to purchase the additional death benefit coverage hereinafter described, provided the member selects such coverage within 90 days after that effective date.

b. A person becoming a member of the retirement system after the effective date of any insurance contract or program approved by the State House Commission who on the date of becoming a member is less than 60 years of age shall automatically be covered for such additional death benefit coverage from the first day of membership on which the person is actively at work and performing all regular duties at the customary place of employment. Such automatic coverage shall continue during the member's first year of membership, and during that year the member shall make contributions as fixed by the retirement system. Additional death benefit coverage for the member shall continue in effect after the first year of membership on the continuance of payment of the required contributions therefor.

c. A person becoming a member of the retirement system after the effective date of any insurance contract or program approved by the State House Commission who on the date of becoming a member is 60 or more years of age may, within one year from the date of membership, elect to purchase such additional death benefit coverage, provided that the member furnishes satisfactory evidence of insurability and on the date of such election is actively at work and performing all regular duties at the customary place of employment.

d. Notwithstanding other provisions of this section relating to the amount of death benefit applicable to a member who has acquired or shall acquire additional death benefit coverage, the death benefit payable in the event of death occurring on or after the effective date of any insurance contract or program approved by the State House Commission and during the first year of membership shall be based upon the member's annual base salary. The effective date of coverage of any person electing to purchase additional death benefit coverage pursuant to the provisions of subsection a. or c. of this section shall be the first day of the month immediately following the date of such election unless evidence of insurability is required as a condition of such election in which event the effective date of coverage shall be the first day of the month which immediately follows the later of (1) the date of such election, or (2) the date such evidence is determined to be satisfactory.

e. The State House Commission shall establish schedules of contributions to be made by the members who elect to purchase the additional death benefit coverage. Such contributions shall be so computed that the contributions made by or on behalf of all covered members in the aggregate shall be sufficient to provide for the cost of the benefits provided under this section. Such schedules of contributions shall be subject to adjustment from time to time by the commission, as the need may appear.

f. Upon the receipt of proper proofs of the death in service of any such member while covered for the additional death benefit coverage there shall be paid to such person, if living, as the member shall have nominated by written designation duly executed and filed with the retirement system, otherwise to the executor or administrator of the member's estate, an amount equal to one and one-half times the compensation received by the member in the last year of creditable service or some lesser or greater amount as may be provided by the insurance contract or program.

g. The contributions of a member for the additional death benefit coverage shall be deducted from the member's compensation, but if there is no compensation from which such contributions may be deducted it shall be the obligation of the member to make such contributions directly to the retirement system or as directed by the State House Commission.

h. Any other provision of P.L.1973, c.140 (C.43:6A-1 et seq.) notwithstanding, the contributions of a member for the additional death benefit coverage under this section shall not

be returnable to the member or the member's beneficiary in any manner, or for any reason whatsoever, nor shall any contributions made for the additional death benefit coverage be included in any annuity payable to any such member or beneficiary.

i. A member who has elected to purchase the additional death benefit coverage provided by this section may file with the retirement system, and alter from time to time during the member's lifetime as desired, a duly attested nomination of the payee of the death benefit provided under this section. Such member may also file with the retirement system, and alter from time to time during the member's lifetime as desired, a request directing payment of said benefit in one sum or in equal annual installments over a period of years or as a life annuity. Any such nomination or request shall be made in writing on a form satisfactory to the retirement system and shall be effective upon receipt by the retirement system. Upon the death of such member, a beneficiary to whom a benefit is payable in one sum may elect to receive the amount payable in equal annual installments over a period of years or as a life annuity. If more than one beneficiary is nominated and the member has not specified their respective interests, the beneficiaries shall share equally. If any beneficiary predeceases the member, the interest of that beneficiary shall terminate and shall be shared equally by such of the beneficiaries as survive the member unless the member has made written request to the contrary in the beneficiary nomination. Any amounts due for which there is no beneficiary at the death of the member or beneficiary shall be payable to the estate of the member or beneficiary.

j. All other provisions of this section notwithstanding, this section and the benefits provided under this section shall not come into effect until a required percentage of the members shall have applied for the additional death benefit coverage under this section. This required percentage shall be fixed by the State House Commission. Applications for such additional death benefit coverage shall be submitted to the secretary of the commission, or such other person as the commission may designate, in such manner and upon such forms as the commission shall provide. The benefits, rights and options of members and their beneficiaries shall be limited to and governed by the provisions of any insurance contract or program approved by the commission, subject to the provisions of this section.

2. This act shall take effect immediately.

Approved April 30, 2001.