

CHAPTER 54

AN ACT concerning the purchase of credit in the Police and Firemen's Retirement System for certain service and amending P.L.1991, c.153.

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

1. Section 3 of P.L.1991, c.153 (C.43:16A-11.11) is amended to read as follows:

C.43:16A-11.11 Members of Police and Firemen's Retirement System, purchasing credit.

3. A member of the Police and Firemen's Retirement System may file a detailed statement of public employment in other states or with the United States Government which would be eligible for credit in a State-administered retirement system if the employment was with a public employer in this State, of military service in the Armed Forces of the United States, or of public employment as a class two special law enforcement officer with a public employer in this State, including time taken during such public employment to complete a basic police training course required for that employment, rendered prior to becoming a member, for which the member desires credit, and of such other facts as the retirement system may require. The member may purchase credit for all or a portion of the service evidenced in the statement up to the nearest number of years and months, but not exceeding 10 years, provided however, that a member purchasing that maximum credit may purchase up to five additional years for additional military service qualifying the member as a veteran as defined in section 1 of P.L.1983, c.391 (C.43:16A-11.7). No application shall be accepted for the purchase of credit for the service if, at the time of application, the member has a vested right to retirement benefits in another retirement system based in whole or in part upon that service.

The member may purchase credit for the service by paying into the annuity savings fund the amount required by applying the factor, supplied by the actuary as being applicable to the member's age at the time of the purchase, to the member's salary at that time, or to the highest annual compensation for service in this State for which contributions were made during any prior fiscal year of membership, whichever is greater. The purchase may be made in regular installments equal to at least 1/2 of the full normal contribution to the retirement system, over a maximum period of 10 years. The employer of a member who applies, pursuant to this section, to purchase credit for public employment with the United States Government, for military service in the Armed Forces of the United States, or for public employment as a class two special law enforcement officer with a public employer in this State shall not be liable for any payment to the retirement system on behalf of the member for the purchase of this credit.

Notwithstanding any provision of this act to the contrary, a member shall not be liable for any costs associated with the financing of pension adjustment benefits and health care benefits for retirees when purchasing credit for public employment in other states or with the United States Government, military service in the Armed Forces of the United States, or for public employment as a class two special law enforcement officer with a public employer in this State.

Any member electing to purchase the service who retires prior to completing payments as agreed with the retirement system will receive pro rata credit for service purchased prior to the date of retirement, but if the member so elects at the time of retirement, the member may make the additional lump sum payment required at that time to provide full credit.

Purchase of credit for service as a class two special law enforcement officer shall be permitted only if the break between service as such an officer and the date of their enrollment in the Police and Firemen's Retirement System is less than 365 days. Members of the retirement system who are enrolled on the effective date of P.L.2024, c.54 shall have only one

year from that effective date to apply for such a purchase. The board of trustees shall notify all members of the retirement system of the provisions of this act, P.L.2024, c.54.

2. This act shall take effect immediately.

Approved August 22, 2024.