SENATE, No. 165

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator VINCENT J. POLISTINA

District 2 (Atlantic)

Senator JAMES BEACH

District 6 (Burlington and Camden)

Co-Sponsored by:

Senators Singer, Singleton, Diegnan, Schepisi and Tiver

SYNOPSIS

Expands definition of child under PFRS and SPRS.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee with technical review.



(Sponsorship Updated As Of: 3/4/2024)

AN ACT concerning the definition of child under the Police and Firemen's Retirement System and the State Police Retirement System, and amending P.L.1944, c.255 and P.L.1965, c.89.

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

- 1. Section 1 of P.L.1944, c.255 (C.43:16A-1) is amended to read as follows:
 - 1. As used in this act:
- (1) "Retirement system" or "system" shall mean the Police and Firemen's Retirement System of New Jersey as defined in section 2 of this act.
- (2) (a) "Policeman" shall mean a permanent, full-time employee of a law enforcement unit as defined in section 2 of P.L.1961, c.56 (C.52:17B-67) or the State, other than an officer or trooper of the Division of State Police whose position is covered by the State Police Retirement System, whose primary duties include the investigation, apprehension or detention of persons suspected or convicted of violating the criminal laws of the State and who:
- (i) is authorized to carry a firearm while engaged in the actual performance of his official duties;
 - (ii) has police powers;
- (iii) is required to complete successfully the training requirements prescribed by P.L.1961, c.56 (C.52:17B-66 et seq.) or comparable training requirements as determined by the board of trustees; and
- (iv) is subject to the physical and mental fitness requirements applicable to the position of municipal police officer established by an agency authorized to establish these requirements on a Statewide basis, or comparable physical and mental fitness requirements as determined by the board of trustees.

The term shall also include an administrative or supervisory employee of a law enforcement unit or the State whose duties include general or direct supervision of employees engaged in investigation, apprehension or detention activities or training responsibility for these employees and a requirement for engagement in investigation, apprehension or detention activities if necessary, and who is authorized to carry a firearm while in the actual performance of his official duties and has police powers.

(b) "Fireman" shall mean a permanent, full-time employee of a firefighting unit whose primary duties include the control and extinguishment of fires and who is subject to the training and physical and mental fitness requirements applicable to the position of municipal firefighter established by an agency authorized to

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

- establish these requirements on a Statewide basis, or comparable training and physical and mental fitness requirements as determined by the board of trustees. The term shall also include an administrative or supervisory employee of a firefighting unit whose duties include general or direct supervision of employees engaged fire control and extinguishment activities or training responsibility for these employees and a requirement for engagement in fire control and extinguishment activities if necessary. As used in this paragraph, "firefighting unit" shall mean a municipal fire department, a fire district, or an agency of a county or the State which is responsible for control and extinguishment of
 - (3) "Member" shall mean any policeman or fireman included in the membership of the retirement system pursuant to this amendatory and supplementary act, P.L.1989, c.204 (C.43:16A-15.6 et al.).

- (4) "Board of trustees" or "board" shall mean the board provided for in section 13 of this act.
- (5) "Medical board" shall mean the board of physicians provided for in section 13 of this act.
- (6) "Employer" shall mean the State of New Jersey, the county, municipality or political subdivision thereof which pays the particular policeman or fireman.
- (7) "Service" shall mean service as a policeman or fireman paid for by an employer.
- (8) "Creditable service" shall mean service rendered for which credit is allowed as provided under section 4 of this act.
- (9) "Regular interest" shall mean interest as determined by the State Treasurer, after consultation with the actuary. It shall bear a reasonable relationship to the percentage rate of earnings on investments based on the market value of assets but shall not exceed the assumed percentage rate of increase applied to salaries plus 3%, provided however that the board of trustees shall not set the average percentage rate of increase applied to salaries below 6%. This rate shall be distinct from any internally targeted rates used for developing investment policy by the board of trustees pursuant to section 13 of P.L.1944, c.255 (C.43:16A-13).
- (10) "Aggregate contributions" shall mean the sum of all the amounts, deducted from the compensation of a member or contributed by him or on his behalf, standing to the credit of his individual account in the annuity savings fund.
- (11) "Annuity" shall mean payments for life derived from the aggregate contributions of a member.
- (12) "Pension" shall mean payments for life derived from contributions by the employer.
- 46 (13) "Retirement allowance" shall mean the pension plus the annuity.

(14) "Earnable compensation" shall mean the full rate of the salary that would be payable to an employee if he worked the full normal working time for his position. In cases where salary includes maintenance, the retirement system shall fix the value of that part of the salary not paid in money which shall be considered under this act.

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- (15) "Average final compensation" shall mean final compensation.
- (16) "Retirement" shall mean the termination of the member's active service with a retirement allowance granted and paid under the provisions of this act.
- (17) "Annuity reserve" shall mean the present value of all payments to be made on account of any annuity or benefit in lieu of any annuity computed upon the basis of such mortality tables recommended by the actuary as shall be adopted by the board of trustees, and regular interest.
- (18) "Pension reserve" shall mean the present value of all payments to be made on account of any pension or benefit in lieu of any pension computed upon the basis of such mortality tables recommended by the actuary as shall be adopted by the board of trustees, and regular interest.
- (19) "Actuarial equivalent" shall mean a benefit of equal value when computed upon the basis of such mortality tables recommended by the actuary as shall be adopted by the board of trustees, and regular interest.
- (20) "Beneficiary" shall mean any person receiving a retirement allowance or other benefit as provided by this act.
- (21) "Child" shall mean a deceased member's or retirant's unmarried child (a) under the age of 18, or (b) 18 years of age or older and enrolled in a secondary school, or (c) under the age of 24 and enrolled in a degree program in an institution of higher education for at least 12 credit hours in each semester, [provided that the member died in active service as a result of an accident met in the actual performance of duty at some definite time and place, and the death was not the result of the member's willful misconduct,] or (d) of any age who, at the time of the member's or retirant's death, is disabled because of an intellectual disability or physical incapacity, is unable to do any substantial, gainful work because of the impairment and [his] the impairment has lasted or can be expected to last for a continuous period of not less than 12 months, as affirmed by the medical board.
- (22) "Parent" shall mean the parent of a member who was receiving at least one-half of his support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a parent will be considered terminated by marriage of the parent subsequent to the death of the member.

- (23) (a) "Widower," for employees of the State, means the man to whom a member or retirant was married, or a domestic partner as defined in section 3 of P.L.2003, c.246 (C.26:8A-3), on the date of her death and who has not since remarried or established a domestic partnership. In the event of the payment of accidental death benefits, pursuant to section 10 of P.L.1944, c.255 (C.43:16A-10), the restriction concerning remarriage or establishment of a domestic partnership shall be waived.
 - (b) Subject to the provisions of paragraph (c) of this subsection, "widower," for employees of public employers other than the State, means the man to whom a member or retirant was married on the date of her death and who has not remarried.

- (c) A public employer other than the State may adopt a resolution providing that the term "widower" as defined in paragraph (b) of this subsection shall include domestic partners as provided in paragraph (a) of this subsection.
- (24) (a) "Widow," for employees of the State, means the woman to whom a member or retirant was married, or a domestic partner as defined in section 3 of P.L.2003, c.246 (C.26:8A-3), on the date of his death and who has not since remarried or established a domestic partnership. In the event of the payment of accidental death benefits, pursuant to section 10 of P.L.1944, c.255 (C.43:16A-10), the restriction concerning remarriage or establishment of a domestic partnership shall be waived.
- (b) Subject to the provisions of paragraph (c) of this subsection, "widow," for employees of public employers other than the State, means the woman to whom a member or retirant was married on the date of his death and who has not remarried.
- (c) A public employer other than the State may adopt a resolution providing that the term "widow" as defined in paragraph (b) of this subsection shall include domestic partners as provided in paragraph (a) of this subsection.
- (25) "Fiscal year" shall mean any year commencing with July 1, and ending with June 30, next following.
- (26) (a) "Compensation" shall mean the base salary, for services as a member as defined in this act, which is in accordance with established salary policies of the member's employer for all employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular workday.
- (b) In the case of a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, "compensation" means the amount of base salary equivalent to the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act, for services as a member as defined in this act, which is in accordance with established salary policies of the member's employer for all

employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular workday.

- (27) "Department" shall mean any police or fire department of a municipality or a fire department of a fire district located in a township or a county police or park police department or the appropriate department of the State or instrumentality thereof.
- (28) (a) "Final compensation" means the compensation received by the member in the last 12 months of creditable service preceding his retirement or death.
- (b) In the case of a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, "final compensation" means the average annual compensation for service for which contributions are made during any three fiscal years of membership providing the largest possible benefit to the member or the member's beneficiary.
 - (29) (Deleted by amendment, P.L.1992, c.78).
 - (30) (Deleted by amendment, P.L.1992, c.78).
- (31) (a) "Spouse," for employees of the State, means the husband or wife, or domestic partner as defined in section 3 of P.L.2003, c.246 (C.26:8A-3), of a member.
 - (b) Subject to the provisions of paragraph (c) of this subsection, "spouse," for employees of public employers other than the State, means the husband or wife of a member.
 - (c) A public employer other than the State may adopt a resolution providing that the term "spouse" as defined in paragraph (b) of this subsection shall include domestic partners as provided in paragraph (a) of this subsection.

30 (cf: P.L.2018, c.55, s.7)

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- 32 2. Section 3 of P.L.1965, c.89 (C.53:5A-3) is amended to read as follows:
 - 3. As used in this act:
 - a. "Aggregate contributions" means the sum of all the amounts, deducted from the salary of a member or contributed by him or on his behalf, standing to the credit of his individual account in the Annuity Savings Fund. Interest credited on contributions to the former "State Police Retirement and Benevolent Fund" shall be included in a member's aggregate contributions.
 - b. "Annuity" means payments for life derived from the aggregate contributions of a member.
- c. "Annuity reserve" means the present value of all payments to be made on account of any annuity or benefit in lieu of an annuity, computed upon the basis of such mortality tables recommended by the actuary as the board of trustees adopts and regular interest.

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

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- "Board of trustees" or "board" means the board provided for in section 30 of this act.
- 6 "Child" means a deceased member's or retirant's unmarried child either (a) under the age of 18, or (b) 18 years of age or older and enrolled in a secondary school, or (c) under the age of 24 and 9 enrolled in a degree program in an institution of higher education 10 for at least 12 credit hours in each semester, [provided that the 11 member died in active service as a result of an accident met in the 12 actual performance of duty at some definite time and place, and the 13 death was not the result of the member's willful misconduct, **]** or (d) 14 of any age who, at the time of the member's or retirant's death, is 15 disabled because of an intellectual disability or physical incapacity, is unable to do any substantial, gainful work because of the 16 impairment and [his] the impairment has lasted or can be expected 17 to last for a continuous period of not less than 12 months, as 19 affirmed by the medical board.
 - g. "Creditable service" means service rendered for which credit is allowed on the basis of contributions made by the member or the State.
 - h. "Parent" means the parent of a member who was receiving at least one-half of his support from the member in the 12-month period immediately preceding the member's death or the accident which was the direct cause of the member's death. The dependency of such a parent will be considered terminated by marriage of the parent subsequent to the death of the member.
 - i. (1) "Final compensation" means the average compensation received by the member in the last 12 months of creditable service preceding his retirement or death. Such term includes the value of the member's maintenance allowance for this same period.
 - (2) In the case of a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, "final compensation" means the average annual compensation for service for which contributions are made during any three fiscal years of membership providing the largest possible benefit to the member or the member's beneficiary. Such term includes the value of the member's maintenance allowance for this same period.
 - j. (1) "Final salary" means the average salary received by the member in the last 12 months of creditable service preceding his retirement or death. Such term shall not include the value of the member's maintenance allowance.
 - (2) In the case of a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, "final salary" means the average annual salary for service for which contributions are made during any three fiscal years of membership providing the largest possible benefit to the member or the

- 1 member's beneficiary. Such term shall not include the value of the 2 member's maintenance allowance.
- 3 k. "Fiscal year" means any year commencing with July 1 and 4 ending with June 30 next following.

- 1. "Medical board" means the board of physicians provided for in section 30 of this act.
- m. "Member" means any full-time, commissioned officer, non-commissioned officer or trooper of the Division of State Police of the Department of Law and Public Safety of the State of New Jersey enrolled in the retirement system established by this act.
- n. "Pension" means payment for life derived from contributionsby the State.
 - o. "Pension reserve" means the present value of all payments to be made on account of any pension or benefit in lieu of any pension computed on the basis of such mortality tables recommended by the actuary as shall be adopted by the board of trustees and regular interest.
 - p. "Regular interest" means interest as determined by the State Treasurer, after consultation with the Directors of the Divisions of Investment and Pensions, the board of trustees and the actuary. It shall bear a reasonable relationship to the percentage rate of earnings on investments based on the market value of the assets but shall not exceed the assumed percentage rate of increase applied to salaries plus 3%, provided however that the board of trustees shall not set the average percentage rate of increase applied to salaries below 6%.
 - q. "Retirant" means any former member receiving a retirement allowance as provided by this act.
 - r. "Retirement allowance" means the pension plus the annuity.
 - s. "State Police Retirement System of New Jersey," herein also referred to as the "retirement system" or "system," is the corporate name of the arrangement for the payment of retirement allowances and of the benefits under the provisions of this act including the several funds placed under said system. By that name, all of its business shall be transacted, its funds invested, warrants for moneys drawn, and payments made and all of its cash and securities and other property held. All assets held in the name of the former "State Police Retirement and Benevolent Fund" shall be transferred to the retirement system established by this act.
 - t. "Surviving spouse" means the person to whom a member or a retirant was married, or a domestic partner as defined in section 3 of P.L.2003, c.246 (C.26:8A-3), on the date of the death of the member or retirant. The dependency of such a surviving spouse will be considered terminated by the marriage of, or establishment of a domestic partnership by, the surviving spouse subsequent to the member's or the retirant's death, except that in the event of the payment of accidental death benefits, pursuant to section 14 of P.L.1965, c.89 (C.53:5A-14), the dependency of such a surviving

spouse or domestic partner will not be considered terminated by the marriage of, or establishment of a domestic partnership by, the surviving spouse subsequent to the member's death.

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- u. (1) "Compensation" for purposes of computing pension contributions means the base salary, for services as a member as defined in this act, which is in accordance with established salary policies of the State for all employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular workday or shift.
- (2) In the case of a person who becomes a member of the retirement system on or after the effective date of P.L.2010, c.1, "compensation" means the amount of base salary equivalent to the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act, for services as a member as defined in this act, which is in accordance with established salary policies of the State for all employees in the same position but shall not include individual salary adjustments which are granted primarily in anticipation of the member's retirement or additional remuneration for performing temporary duties beyond the regular workday or shift.
- v. "Veteran" means any person who has served in the United States Armed Forces and has or shall be discharged or released therefrom under conditions other than dishonorable, in any of the following wars or emergencies, and who has presented to the retirement system evidence of such record of service in form and content satisfactory to the retirement system:
- (1) Vietnam conflict on or after December 31, 1960, and on or prior to May 7, 1975, who shall have served at least 90 days in such active service, exclusive of any period of assignment (1) for a course of education or training under the Army Specialized Training Program or the Navy College Training Program which course was a continuation of a civilian course and was pursued to completion, or (2) as a cadet or midshipman at one of the service academies, any part of which 90 days was served between said dates; and exclusive of any service performed pursuant to the provisions of section 511 (d) of Title 10, United States Code, pursuant to an enlistment in the Army National Guard or as a reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 90 days' service as herein provided;
- (2) Lebanon peacekeeping mission, on or after September 26, 1982, who has served in Lebanon or on board any ship actively engaged in patrolling the territorial waters of that nation for a period, continuous or in the aggregate, of at least 14 days

commencing on or before December 1, 1987 or the date of termination of that mission, as proclaimed by the President of the United States or Congress, whichever date of termination is the latest, in such active service; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided;

- (3) Grenada peacekeeping mission, on or after October 23, 1983, who has served in Grenada or on board any ship actively engaged in patrolling the territorial waters of that nation for a period, continuous or in the aggregate, of at least 14 days commencing on or before November 21, 1983 or the date of termination of that mission, as proclaimed by the President of the United States or Congress, whichever date of termination is the latest, in such active service; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided;
- (4) Panama peacekeeping mission, on or after December 20, 1989 or the date of inception of that mission, as proclaimed by the President of the United States or Congress, whichever date of inception is earliest, who has served in Panama or on board any ship actively engaged in patrolling the territorial waters of that nation for a period, continuous or in the aggregate, of at least 14 days commencing on or before January 31, 1990 or the date of termination of that mission, as proclaimed by the President of the United States or Congress, whichever date of termination is the latest, in such active service; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided;
- (5) Operation "Desert Shield/Desert Storm" mission in the Arabian peninsula and the Persian Gulf, on or after August 2, 1990 or the date of inception of that operation, as proclaimed by the President of the United States or Congress, whichever date of inception is earliest, who has served in the Arabian peninsula or on board any ship actively engaged in patrolling the Persian Gulf for a period, continuous or in the aggregate, of at least 14 days commencing on or before the date of termination of that mission, as proclaimed by the President of the United States or Congress, whichever date of termination is the latest, in such active service; provided, that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided;
- (6) Operation Northern Watch and Operation Southern Watch, on or after August 27, 1992, or the date of inception of that operation, as proclaimed by the President of the United States, Congress or United States Secretary of Defense, whichever date of

inception is earliest, who served in the theater of operation, including in the Arabian peninsula and the Persian Gulf, and in direct support of that operation for a period, continuously or in the aggregate, of at least 14 days in such active service, commencing on or before the date of termination of that operation, as proclaimed by the President of the United States, Congress or United States Secretary of Defense, whichever date of termination is the latest; provided, that any person receiving an actual service-incurred injury or disability while engaged in such service shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided;

- (7) Operation "Restore Hope" in Somalia, on or after December 5, 1992, or the date of inception of that operation as proclaimed by the President of the United States or Congress, whichever date is earliest, who has served in Somalia or on board any ship actively engaged in patrolling the territorial waters of that nation for a period, continuously or in the aggregate, of at least 14 days in such active service commencing on or before March 31, 1994; provided that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person has completed the 14-day service as herein provided;
- (8) Operations "Joint Endeavor" and "Joint Guard" in the Republic of Bosnia and Herzegovina, on or after November 20, 1995, who served in such active service in direct support of one or both of the operations for at least 14 days, continuously or in the aggregate, commencing on or before June 20, 1998, and (1) was deployed in that nation or in another area in the region, or (2) was on board a United States naval vessel operating in the Adriatic Sea, or (3) operated in airspace above the Republic of Bosnia and Herzegovina; provided that any person receiving an actual service-incurred injury or disability shall be classed as a veteran whether or not that person completed the 14-day service requirement;
- (9) Operation "Enduring Freedom", on or after September 11, 2001, who served in a theater of operation and in direct support of that operation for a period, continuously or in the aggregate, of at least 14 days in such active service commencing on or before the date the President of the United States or the United States Secretary of Defense designates as the termination date of that operation; provided, that any person receiving an actual service-incurred injury or disability while engaged in such service shall be classed as a veteran whether or not that person has completed the 14 days' service as herein provided; and
- (10) Operation "Iraqi Freedom", on or after the date the President of the United States or the United States Secretary of Defense designates as the inception date of that operation, who served in Iraq or in another area in the region in direct support of that operation for a period, continuously or in the aggregate, of at least 14 days in such active service commencing on or before the date the

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- President of the United States or the United States Secretary of
 Defense designates as the termination date of that operation;
 provided, that any person receiving an actual service-incurred injury
 or disability while engaged in such service shall be classed as a
 veteran whether or not that person has completed the 14 days'
 service as herein provided.
- 7 (cf: P.L.2016, c.26, s.1)

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3. This act shall take effect immediately.