

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 5296

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 15, 2026

The Assembly State and Local Government Committee reports favorably and with committee amendments Assembly Bill No. 5296.

As amended and reported by the committee, this bill provides for law enforcement officer benefits for certain public employees enrolled in the Public Employees' Retirement System (PERS).

Under current law, certain individuals holding specified titles are eligible to receive enhanced benefits through the law enforcement officer category of PERS, known as PERS-LEO. This bill amends the definition of "law enforcement officer" to include additional titles.

Under the bill, any person employed on the effective date of the bill by the State, a county, fire district, school district, or a municipality, who holds a position as a "law enforcement officer" and who was enrolled in PERS prior to the bill's effective date will be enrolled as a participant in the law enforcement officer category of PERS within 90 days of that effective date, unless the member signs a waiver of participation. The Division of Pensions and Benefits in the Department of the Treasury will provide notice to all individuals eligible to be enrolled in the law enforcement officer category of the system within 30 days following the bill's effective date, along with instructions on how a member may waive participation in the law enforcement officer category of the system. The member will have 60 days to sign and return the waiver of participation form provided. A person who waived enrollment will remain enrolled as a non-law enforcement officer in PERS and the member will not be subject to compulsory retirement as provided under current law.

Under the bill, any member who is enrolled as a participant of the law enforcement officer category of the system will be eligible for all the benefits and subject to all the requirements for members of that category from the date the member is made a participant. All service credit earned by the member in a position eligible for participation in the law enforcement category is to be considered service credit as a law enforcement officer in that category when the member is enrolled as a participant of the law enforcement officer category.

The bill further provides that, in the event that the PERS actuary determines that a liability has been incurred by the provisions of this bill, the employee will be responsible for the amount equal to the difference between the value of their prior service and their transfer to the law enforcement section of the system. The payment may be made in a lump sum or in regular monthly installments equal to at least fifty percent of the employee's normal contribution to the retirement system over a period not to exceed 10 years, as the employee may elect, pursuant to rules and regulations as may be promulgated by the board of trustees.

COMMITTEE AMENDMENTS:

The committee amended the bill to remove the provisions prohibiting the hiring by the State or any county of public employees over the age of 35 in positions eligible for enrollment in the Police and Firemen's Retirement System.