

# SENATE, No. 1805

## STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED MARCH 24, 2014

**Sponsored by:**

**Senator JENNIFER BECK**

**District 11 (Monmouth)**

**Senator NELLIE POU**

**District 35 (Bergen and Passaic)**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**SYNOPSIS**

Allows individual appointed as State monitor to remain employed for more than two years without cancellation of retirement benefits.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/8/2015)

S1805 BECK, POU

2

1 AN ACT concerning retirement system enrollment for certain school  
2 district personnel and amending N.J.S.18A:66-53.2.

3

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

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7 1. N.J.S.18A:66-53.2 is amended to read as follows:

8 18A:66-53.2. a. Except as provided in subsection b. of this  
9 section, if a former member of the retirement system who has been  
10 granted a retirement allowance for any cause other than disability,  
11 becomes employed again in a position which makes him eligible to  
12 be a member of the retirement system, his retirement allowance and  
13 the right to any death benefit as a result of his former membership,  
14 shall be canceled until he again retires.

15 Such person shall be reenrolled in the retirement system and  
16 shall contribute thereto at a rate based on his age at the time of  
17 reenrollment. Such person shall be treated as an active member for  
18 determining disability or death benefits while in service and no  
19 benefits pursuant to an optional selection with respect to his former  
20 membership shall be paid if his death shall occur during the period  
21 of such reenrollment.

22 Upon subsequent retirement of such member, his former  
23 retirement allowance shall be reinstated together with any optional  
24 selection, based on his former membership. In addition, he shall  
25 receive an additional retirement allowance based on his subsequent  
26 service as a member computed in accordance with applicable  
27 provisions of this article; provided, however, that his total  
28 retirement allowance upon such subsequent retirement shall not be a  
29 greater proportion of his final compensation than the proportion to  
30 which he would have been entitled had he remained in service  
31 during the period of his prior retirement. Any death benefit to  
32 which such member shall be eligible shall be based on his latest  
33 retirement, but shall not be less than the death benefit that was  
34 applicable to his former retirement.

35 b. The cancellation, reenrollment, and additional retirement  
36 allowance provisions of subsection a. of this section shall not apply  
37 to a former member of the retirement system who is a certificated  
38 superintendent or a certificated administrator and who, after having  
39 been granted a retirement allowance, becomes employed by the  
40 State Department of Education in a position of critical need as  
41 determined by the State Commissioner of Education, is appointed  
42 by the State Commissioner of Education to serve as a State monitor  
43 in a school district pursuant to section 2 of P.L.2006, c.15  
44 (C.18A:7A-55), or otherwise becomes employed by a board of  
45 education as a certificated superintendent or a certificated

**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 administrator on a contractual basis for a term of not more than one  
2 year; except that the cancellation, reenrollment, and additional  
3 retirement allowance provisions shall apply if the former member  
4 becomes employed within 120 days of retirement with the employer  
5 from which the member retired. Nothing herein shall preclude a  
6 former member so reemployed with a board of education from  
7 renewing a contract for one additional year, provided that the total  
8 period of employment with any individual board of education does  
9 not exceed a two-year period.  
10 (cf: P.L.2001, c.355, s.1)

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12 2. This act shall take effect immediately.

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#### STATEMENT

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17 Under current law, if an individual is receiving a retirement  
18 allowance from the Teachers' Pension and Annuity Fund (TPAF),  
19 and the individual becomes employed in a position covered by  
20 TPAF, then the individual would cease to receive a pension  
21 allowance and would resume making payments to the pension  
22 system. The law provides for two exceptions to this provision: 1)  
23 someone employed by the Department of Education in a position of  
24 critical needs, and 2) a superintendent or administrator employed by  
25 a school district on a contractual basis. In the latter case, the term  
26 of the contract may not be for more than one year, and may be  
27 renewed for one additional year.

28 A State monitor appointed by the Commissioner of Education to  
29 oversee a school district is considered, for most purposes, to be an  
30 employee of the school district; as such, an individual who has  
31 retired would be subject to the two-year restriction. This bill  
32 creates a distinction between a State monitor and other individuals  
33 employed by a school district, thereby exempting the State monitors  
34 from the two-year limitation.