

ASSEMBLY, No. 5375

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MAY 16, 2019

Sponsored by:

Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

Assemblyman Rooney

SYNOPSIS

Allows TPAF retiree to be employed, without TPAF reenrollment, by school district as certificated superintendent or administrator for more than two years when in best interests of school district.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/24/2019)

A5375 BURZICHELLI

2

1 AN ACT concerning the reenrollment of certain retired members of
2 the Teachers' Pension and Annuity Fund and amending
3 N.J.S.18A:66-53.2.

4

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

7

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

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

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

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

36 b. The cancellation, reenrollment, and additional retirement
37 allowance provisions of subsection a. of this section shall not apply
38 to a former member of the retirement system who is a certificated
39 superintendent or a certificated administrator and who, after having
40 been granted a retirement allowance, becomes employed by the
41 State Department of Education in a position of critical need as
42 determined by the State Commissioner of Education, or becomes
43 employed by a board of education as a certificated superintendent
44 or a certificated administrator on a contractual basis for a term of
45 not more than one year; except that the cancellation, reenrollment,

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.

A5375 BURZICHELLI

1 and additional retirement allowance provisions shall apply if the
2 former member becomes employed within 120 days of retirement
3 with the employer from which the member retired. Nothing herein
4 shall preclude a former member so reemployed with a board of
5 education from renewing a contract for one additional year~~].~~;
6 provided that the total period of employment with any individual
7 board of education does not exceed a two-year period, unless so
8 approved by the Commissioner of Education as being in the best
9 interests of the school district.

10 c. A former member of the retirement system who has been
11 granted a retirement allowance, for any cause other than disability,
12 may become employed again with the former employer in a position
13 as a coach of an athletics activity if: (1) the employment
14 commences after the retirement allowance becomes due and
15 payable; (2) the former member had attained the service retirement
16 age, applicable to that member, as of the date of retirement; and (3)
17 the compensation for the employment is less than \$15,000 per year.
18 This subsection shall be effective if the qualified status of the
19 retirement system under federal law can be maintained upon its
20 application, and such modifications to the system as may be
21 available shall be made to allow for its application. As used in this
22 section, "former employer" means the employer with which the
23 former member held employment immediately prior to retirement.
24 (cf: P.L.2016, c.76, s.1)

25

26 2. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill modifies an exception to the reenrollment requirement
32 for certain retired members of the Teachers' Pension and Annuity
33 Fund (TPAF). It allows a TPAF retiree to be employed, without
34 reenrollment in TPAF, by a board of education as a certificated
35 superintendent or a certificated administrator on a contractual basis
36 for a period that exceeds two years when the Commissioner of
37 Education determines that it is in the best interests of the school
38 district.

39 Under current law, if a TPAF retiree, receiving a retirement
40 allowance for any cause other than disability, subsequently becomes
41 employed again in a position which makes the retiree eligible to be
42 a member of TPAF, the retiree is required to reenroll in the
43 retirement system and the payment of the retirement allowance
44 ceases. That reenrollment requirement, however, does not apply to
45 a retiree (1) who is a certificated superintendent or a certificated
46 administrator who, after having been granted a retirement
47 allowance, becomes employed by the State Department of
48 Education in a position of critical need, or (2) who becomes

A5375 BURZICHELLI

4

1 employed by a board of education as a certificated superintendent
2 or administrator on a contractual basis for no longer than one year
3 and after 120 days of retirement if the contract is with the former
4 employer. A reemployed retiree may renew a board of education
5 contract for one additional year, provided that the total period of
6 employment with any individual board of education does not exceed
7 a two-year period. This bill would permit employment beyond that
8 two-year period if approved by the Commissioner of Education as
9 being in the best interests of the school district.