

# SENATE, No. 1966

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 22, 2018

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Cumberland, Gloucester and Salem)**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

**Assemblyman ADAM J. TALIAFERRO**

**District 3 (Cumberland, Gloucester and Salem)**

**Co-Sponsored by:**

**Senator Madden**

**SYNOPSIS**

Increases death benefit of active member of PFRS and SPRS to 50 percent of final compensation for surviving child or children.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/17/2019)**

S1966 SWEENEY, SINGLETON

2

1 AN ACT concerning the death benefit of a member in active service  
2 of the Police and Firemen's Retirement System and State Police  
3 Retirement System, and amending and supplementing P.L.1944,  
4 c.255 and P.L.1965, c.89.

5

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

8

9 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to  
10 read as follows:

11 9. (1) Upon the receipt of proper proof of the death of a  
12 member in active service on account of which no accidental death  
13 benefit is payable under section 10 there shall be paid to such  
14 member's widow or widower a pension of 50% of final  
15 compensation for the use of himself or herself and children of the  
16 deceased member, to continue during his or her widowhood; if there  
17 is no surviving widow or widower or in the case the widow or  
18 widower dies or remarries, **[20%]** 50% of final compensation  
19 **[will]** shall be payable to one surviving child **[, 35% of final**  
20 **compensation to two surviving children in equal shares and]** or, if  
21 there **[be three]** are two or more children, 50% of final  
22 compensation **[will]** shall be payable to such children in equal  
23 shares.

24 In the event of death occurring in the first year of creditable  
25 service, the benefits, payable pursuant to this subsection, shall be  
26 computed at the annual rate of compensation.

27 If there is no widow or widower or child, 25% of final  
28 compensation will be payable to one surviving parent or 40% of  
29 final compensation will be payable to two surviving parents in  
30 equal shares.

31 (2) If there is no widow or widower, child or parent, there shall  
32 be paid to any other beneficiary of the deceased member his or her  
33 aggregate contributions at the time of death.

34 (3) In no case shall the death benefit provided in subsection (1)  
35 be less than that provided under subsection (2).

36 (4) In addition to the foregoing benefits payable under  
37 subsection (1) or (2), there shall also be paid in one sum to the  
38 member's beneficiary, an amount equal to 3 1/2 times final  
39 compensation.

40 (5) a. For the purposes of this section and **[section 10 (5)]**  
41 paragraph (5) of section 10 of P.L.1944, c.255 (C.43:16A-10), a  
42 member of the Police and Firemen's Retirement System shall be  
43 deemed to be an active member for a period of no more than 93  
44 days while on official leave of absence without pay when such  
45 leave is due to any reason other than illness, and for a period of not

**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 more than one year in the event of an official leave (a) due to the  
2 member's maternity, or (b) to fulfill a residency requirement for an  
3 advanced degree, or (c) as a full-time student at an institution of  
4 higher education, and (1) while he is disabled due to sickness or  
5 injury arising out of or in the course of his employment as a  
6 member to whom this act applies, is not engaged in any gainful  
7 occupation, and is receiving or entitled to receive periodic benefits  
8 (including any commutation of, or substitute for, such benefits) for  
9 loss of time on account of such disability under or by reason of  
10 workmen's compensation law, occupational disease law or similar  
11 legislation and has not retired or terminated his membership; or (2)  
12 for a period of no more than two years while on official leave of  
13 absence without pay if satisfactory evidence is presented to the  
14 retirement system that such leave of absence without pay is due to  
15 the member's personal illness other than an illness to which (1)  
16 above applies.

17 b. If a member dies within 30 days after the date of retirement  
18 or the date of board approval, whichever is later, a death benefit  
19 shall be payable only if he is deemed to be an active member in  
20 accordance with this section; provided, however, a member  
21 applying for disability benefits shall be deemed an active member if  
22 he was covered by the death benefit provisions of the act at the  
23 termination of employment, filed the application for disability  
24 retirement with the retirement system within 30 days following such  
25 termination of employment and dies within 30 days after the date of  
26 retirement or the date of board approval, whichever is later. If a  
27 member files an application for disability retirement while in  
28 service and otherwise meets the requirements for disability  
29 retirement, but dies before the retirement takes effect, the retirement  
30 shall be considered effective.

31 (cf: P.L.1999, c.428, s.5)

32

33 2. Section 12 of P.L.1965, c.89 (C.53:5A-12) is amended to  
34 read as follows:

35 12. a. Upon the receipt of proper proofs of the death in active  
36 service of a member of the retirement system on account of which  
37 no accidental death benefit is payable, there shall be paid to the  
38 surviving spouse a pension of 50% of final compensation for the  
39 use of that spouse and children of the deceased, to continue for so  
40 long as the person qualifies as a "surviving spouse" for the  
41 purposes of this act; if there is no surviving spouse or in case the  
42 spouse dies or remarries, **【20%】** 50% of final compensation **【will】**  
43 shall be payable to one surviving child **【,** 35% of final  
44 compensation to two surviving children in equal shares and **】** or,  
45 there **【be three】** are two or more children, 50% of final  
46 compensation **【will】** shall be payable to such children in equal  
47 shares.

1 In the event of death occurring in the first year of creditable  
2 service, the benefits, payable pursuant to this subsection, shall be  
3 computed at the annual rate of compensation.

4 If there is no surviving spouse or child, 25% of final  
5 compensation will be payable to one surviving parent or 40% of  
6 final compensation will be payable to two surviving parents in  
7 equal shares.

8 b. If there is no surviving spouse, child or parent, there shall be  
9 paid to any other beneficiary of the deceased member his aggregate  
10 contributions at the time of death.

11 c. In no case shall the death benefit provided in subsection a.  
12 be less than that provided under subsection b.

13 d. In addition to the foregoing benefits payable under  
14 subsection a. or b., there shall also be paid in one sum to the  
15 member's beneficiary, an amount equal to 3 1/2 times final  
16 compensation.

17 e. (Deleted by amendment. P.L. 1971, c. 181.)

18 f. (Deleted by amendment. P.L. 1971, c. 181.)

19 (cf: P.L.1985, c.355, s.2)

20

21 3. (New section) The adjustment in the benefit to a surviving  
22 child or children made pursuant to the amendment of section 9 of  
23 P.L.1944, c.255 (C.43:16A-9) by P.L. , c. (pending before the  
24 Legislature as this bill) shall apply to a benefit entitlement initially  
25 granted on or after January 1, 2017, and, if granted on or after that  
26 date but before the effective date of P.L. , c. (pending before the  
27 Legislature as this bill), still in effect on that effective date. The  
28 adjustment in the benefit to a surviving child or children pursuant to  
29 the amendment of section 9 of P.L.1944, c.255 (C.43:16A-9) by  
30 P.L. , c. (pending before the Legislature as this bill) shall apply  
31 only for benefit payments made after the effective date of P.L. , c.  
32 (pending before the Legislature as this bill). No surviving child of a  
33 deceased member of the retirement system shall be granted a  
34 retroactive payment based upon the difference between the benefit  
35 the person would have received if the adjustment made pursuant to  
36 the amendment of section 9 of P.L.1944, c.255 (C.43:16A-9) by  
37 P.L. , c. (pending before the Legislature as this bill) had been  
38 applicable at the date of entitlement and the benefit that the  
39 surviving child has received from the date of entitlement to the  
40 effective date of P.L. , c. (pending before the Legislature as this  
41 bill).

42

43 4. (New section) The adjustment in the benefit to a surviving  
44 child or children made pursuant to the amendment of section 12 of  
45 P.L.1965, c.89 (C.53:5A-12) by P.L. , c. (pending before the  
46 Legislature as this bill) shall apply to a benefit entitlement initially  
47 granted on or after January 1, 2017, and, if granted on or after that  
48 date but before the effective date of P.L. , c. (pending before the

1 Legislature as this bill), still in effect on that effective date. The  
2 adjustment in the benefit to a surviving child or children pursuant to  
3 the amendment of section 12 of P.L.1965, c.89 (C.53:5A-12) by  
4 P.L. , c. (pending before the Legislature as this bill) shall apply  
5 only for benefit payments made after the effective date of P.L. , c.  
6 (pending before the Legislature as this bill). No surviving child of a  
7 deceased member of the retirement system shall be granted a  
8 retroactive payment based upon the difference between the benefit  
9 the person would have received if the adjustment made pursuant to  
10 the amendment of section 12 of P.L.1965, c.89 (C.53:5A-12) by  
11 P.L. , c. (pending before the Legislature as this bill) had been  
12 applicable at the date of entitlement and the benefit that the  
13 surviving child has received from the date of entitlement to the  
14 effective date of P.L. , c. (pending before the Legislature as this  
15 bill).

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17 5. This act shall take effect immediately.

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#### STATEMENT

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22 This bill increases the benefit payable to the surviving child or  
23 children of a member of the Police and Firemen's Retirement  
24 System (PFRS) or State Police Retirement System (SPRS), when  
25 the member dies in active service and no accidental death benefit is  
26 payable, to 50 percent of final compensation.

27 Under current law, if a member of PFRS or SPRS dies in active  
28 service and no accidental death benefit is payable, then the  
29 member's widow or widower receives a pension of 50 percent of  
30 the member's final compensation. If there is no widow or widower  
31 or if the widow or widower dies, 20 percent of that compensation is  
32 paid annually to one surviving child, 35 percent to two surviving  
33 children in equal shares, and 50 percent to three or more children in  
34 equal shares. The bill amends current law to provide that if a  
35 member of PFRS or SPRS dies in active service, no accidental  
36 death benefit is payable, and there is no surviving spouse, then 50  
37 percent of the deceased member's final compensation is to be paid  
38 to the member's surviving child or surviving children in equal  
39 shares.

40 The bill provides for the change in the percentage of the benefit  
41 paid to a surviving child or children under PFRS and SPRS to apply  
42 to benefits initially granted on or after January 1, 2017. The bill  
43 provides for the increase in the percentage of the benefit to be paid  
44 prospectively. The bill prohibits retroactive payments from being  
45 made.