

SENATE, No. 1792

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:
Senator CHRISTOPHER J. CONNORS
District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS

Allows law enforcement officers in PERS to transfer to and enroll in PFRS;
requires all law enforcement officers to be enrolled in PFRS.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** allowing law enforcement officers to transfer and enroll in
2 the Police and Firemen's Retirement System and supplementing
3 P.L.1944, c.255 (C.43:16A-1 et seq.).

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

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8 1. Notwithstanding the provisions of P.L.1944, c.255
9 (C.43:16A-1 et seq.) to the contrary, any law enforcement officer
10 who is enrolled on the effective date of this act in the Public
11 Employees' Retirement System, established pursuant to P.L.1954,
12 c.84 (C.43:15A-1 et seq.) and meets the requirements for
13 membership in the Police and Firemen's Retirement System as set
14 forth in the definition of "policeman" in section 1 of P.L.1944,
15 c.255 (C.43:16A-1), may transfer membership to the Police and
16 Firemen's Retirement System, by waiving all rights and benefits
17 which would otherwise be provided by the Public Employees'
18 Retirement System. A law enforcement officer may continue
19 membership in the Public Employees' Retirement System by
20 waiving all rights and benefits which would otherwise be provided
21 by the Police and Firemen's Retirement System. Such waivers shall
22 be accomplished by filing forms satisfactory to the Division of
23 Pensions and Benefits in the Department of the Treasury within 90
24 days after the effective date of this act. In the absence of the filing
25 of a timely waiver by an eligible law enforcement officer, the
26 pension status of that law enforcement officer shall remain
27 unchanged, and the membership of the law enforcement officer
28 shall not be transferred to the Police and Firemen's Retirement
29 System.

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31 2. Within 120 days after the effective date of this act, the
32 Public Employees' Retirement system shall remit to the Police and
33 Firemen's Retirement System all accumulated deductions standing
34 to the credit of each transferred employee as a member of that
35 retirement system, and within 180 days following the effective date
36 of this act remit the pro-rata part of the reserve fund constituting the
37 employer's obligations under the Public Employees' Retirement
38 System applicable to the employee's account, and the Police and
39 Firemen's Retirement System shall then enter the respective sums so
40 remitted to it to the credit of the employee in the annuity savings
41 fund and to the credit of the employer in the pension accumulation
42 fund of the Police and Firemen's Retirement System. Regular
43 interest shall be added to the employer's obligations if the moneys
44 are not remitted within the periods prescribed by this section.

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46 3. The transferred employees shall be members of the Police
47 and Firemen's Retirement System and deductions from their salaries
48 and contributions on their behalf shall thereafter be made as

1 required by P.L.1944, c.255 (C.43:16A-1 et seq.). The transferred
2 employees shall have the same contribution obligation and enjoy
3 the same rights and benefits as other members of the retirement
4 system. Any credit for public service which had been established in
5 the Public Employees' Retirement System by the transferred
6 employee shall be established in the Police and Firemen's
7 Retirement System.

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9 4. The actuary of the Police and Firemen's Retirement System
10 shall calculate the liability of each employer of employees
11 becoming members of the Police and Firemen's Retirement System
12 under this act, taking into account the value of moneys remitted by
13 the Public Employees' Retirement System. In the event that the
14 value of the money so remitted is less than the total which is
15 required by the Police and Firemen's Retirement System to provide
16 the transferred member with credit for all public service, the
17 employee shall be responsible for the amount equal to the
18 difference between these two values. The payment may be made in
19 a lump sum or in regular monthly installments equal to at least 1/2
20 the employee's normal contribution to the retirement system over a
21 period of 10 years, as the employee may elect, pursuant to rules and
22 regulations as may be promulgated by the Director of the Division
23 of Pensions and Benefits.

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25 5. Notwithstanding the provisions of P.L.1944, c.255
26 (C.43:16A-1 et seq.) to the contrary, any law enforcement officer
27 hired on or after the effective date of this act, P.L. c. (pending
28 before the Legislature as this bill) shall be enrolled in the Police and
29 Firemen's Retirement System.

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31 6. The Director of the Division of Pensions and Benefits in the
32 Department of the Treasury may promulgate rules and regulations
33 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
34 (C.52:14B-1 et seq.), to effectuate the purposes of this act.

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36 7. This act shall take effect immediately.
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39 STATEMENT

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41 This bill allows certain law enforcement officers to transfer and
42 enroll in the Police and Firemen's Retirement System. It provides
43 that a law enforcement officer who is enrolled in the Public
44 Employees' Retirement System may transfer to the Police and
45 Firemen's Retirement System by waiving all rights and benefits
46 which would otherwise be provided by the Public Employees'
47 Retirement System. Any law enforcement officer may continue
48 membership in the Public Employees' Retirement System by

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1 waiving all rights and benefits which would otherwise be provided
2 by the Police and Firemen's Retirement System. Such waivers
3 would be accomplished by filing forms satisfactory to the Division
4 of Pensions and Benefits in the Department of the Treasury within
5 90 days after the enactment of this bill.

6 The actuary of the Police and Firemen's Retirement System
7 would be required to calculate the liability of each employer of the
8 employees becoming members of the Police and Firemen's
9 Retirement System, taking into account the value of moneys
10 remitted by the Public Employees' Retirement System. In the event
11 that the value of the money so remitted is less than the total which
12 is required by the Police and Firemen's Retirement System to
13 provide the transferred member with credit for all public service,
14 the employee is responsible for the amount equal to the difference
15 between these two values.

16 Any law enforcement officer hired on or after the enactment of
17 this bill would be enrolled in the Police and Firemen's Retirement
18 System.