

SENATE, No. 3265

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED DECEMBER 14, 2020

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

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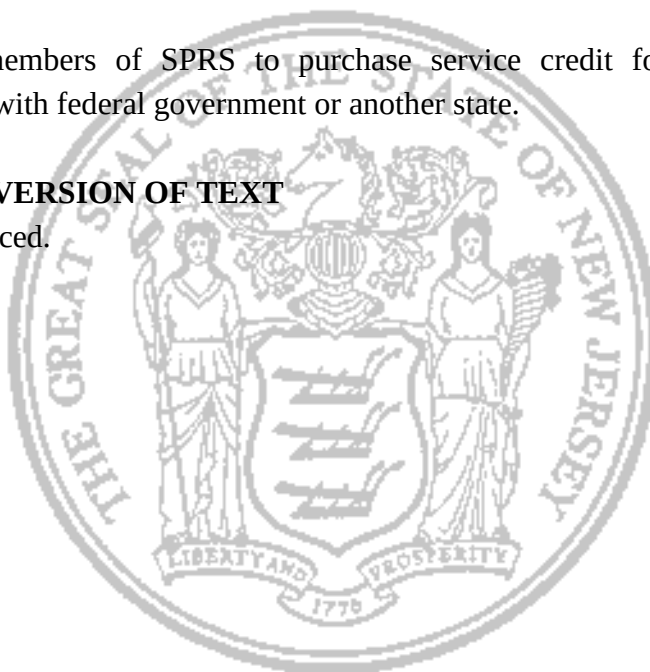
**Assemblyman Benson, Assemblywoman Dunn and Assemblyman
Karabinchak**

SYNOPSIS

Permits members of SPRS to purchase service credit for prior public employment with federal government or another state.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/10/2022)

1 **AN ACT** concerning the purchase of service credit by members of the
2 State Police Retirement System and supplementing Title 53 of the
3 Revised Statutes.

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

7
8 1. A member may file a detailed statement of other public
9 employment in other states or with the United States Government that
10 would be eligible for credit in a State-administered retirement system
11 if the employment was with a public employer in this State, rendered
12 prior to becoming a member, for which the member desires credit,
13 and of such other facts as the retirement system may require. The
14 member may purchase credit for all or a portion of the service
15 evidenced in the statement up to the nearest number of years and
16 months, but not exceeding five years. No application shall be
17 accepted for the purchase of credit for such service if, at the time of
18 application, the member has a vested right to retirement benefits in
19 another retirement system based in whole or in part upon that service.

20 The member may purchase credit for the service by paying into
21 the annuity savings fund the amount required by applying the factor,
22 supplied by the actuary as being applicable to the member's age at
23 the time of the purchase, to the member's salary at that time, or to the
24 highest annual compensation for service in this State for which
25 contributions were made during any prior fiscal year of membership,
26 whichever is greater. The purchase may be made in regular
27 installments, equal to at least one-half the full normal contribution to
28 the retirement system, over a maximum period of 10 years.

29 Neither the State nor the employer of a member who applies to
30 purchase credit for public employment with the United States
31 Government pursuant this section shall be liable for any payment to
32 the retirement system on behalf of the member for the purchase of
33 this credit. Notwithstanding any provision of this act to the contrary,
34 a member shall not be liable for any costs associated with the
35 financing of pension adjustment benefits and health care benefits for
36 retirees when purchasing credit for such public employment in other
37 states or with the United States Government.

38 Any member electing to purchase the service who retires prior to
39 completing payments as agreed with the retirement system shall
40 receive pro rata credit for service purchased prior to the date of
41 retirement, but if the member so elects at the time of retirement, the
42 member may make the additional lump sum payment required at that
43 time to provide full credit.

44
45 2. This act shall take effect immediately.

STATEMENT

This bill permits members of the State Police Retirement System (SPRS) to purchase service credit earned from public employment in another state or with the United States Government. The member may purchase credit by paying the actuarially required amount as applicable to the member based on the member's age and salary at the time of purchase, or the highest annual compensation for service in this State, whichever is greater.