

# SENATE, No. 4250

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED DECEMBER 9, 2021

**Sponsored by:**  
**Senator JOSEPH P. CRYAN**  
**District 20 (Union)**

### **SYNOPSIS**

Changes PERS membership eligibility for certain elected public officials and provides for PERS reenrollment.

### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the pension benefits for certain elected public  
2 officials, and amending various parts of the statutory law and  
3 supplementing P.L.1954, c.84.

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

7  
8 1. (New section) a. The Division of Pensions and Benefits in  
9 the Department of the Treasury shall reenroll in the Public  
10 Employees' Retirement System, established pursuant to P.L.1954,  
11 c.84 (C.43:15A-1 et seq.), any person who:

12 (1) was a member of the retirement system on the effective date  
13 of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-1 through  
14 C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-  
15 135);

16 (2) has 10 or more years of service credit in the retirement  
17 system as of the effective date of this act, P.L. , c. (pending  
18 before the Legislature as this bill);

19 (3) was elected to public office, or selected to fill a vacancy in  
20 an elective public office, after the effective date of sections 1  
21 through 19 of P.L.2007, c.92 (C.43:15C-1 through C.43:15C-15,  
22 C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-135);

23 (4) has at least 10 years of continuous service in one or more  
24 elective public offices of this State since the effective date of  
25 sections 1 through 19 of P.L.2007, c.92 (C.43:15C-1 through  
26 C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-  
27 135); and

28 (5) holds an elective public office on the effective date of this  
29 act, P.L. , c. (pending before the Legislature as this bill).

30 A person who had a break in service of more than 60 days  
31 between the termination of employment which made the person  
32 eligible to be a member of the Public Employees' Retirement  
33 System and the commencement of service in the elective public  
34 office shall not be eligible for reenrollment into the retirement  
35 system.

36 As of the date of enrollment in the system, the elected official's  
37 participation, if any, in another State-administered retirement  
38 program on the basis of that elective public office shall be  
39 suspended. The elected public official may elect to waive  
40 enrollment in the Public Employees' Retirement System by signing  
41 a form prepared by the division.

42 b. An elected public official eligible for enrollment in the Public  
43 Employees' Retirement System pursuant to subsection a. of this  
44 section may request, in writing, within 180 days of the effective  
45 date of this act, P.L. , c. (pending before the Legislature as this

**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 bill), that the official's enrollment in the system be made retroactive  
2 to the date of the elected official's assumption of elective public  
3 office without a break in service of more than 60 days. The division  
4 shall grant the request only if the elected official complies with  
5 such terms and conditions as may be imposed by the division to  
6 ensure compliance with federal law, to ensure that the elected  
7 official will not be eligible to receive a benefit from both the Public  
8 Employee's Retirement System and another State-administered  
9 retirement program for the same period of service in the elective  
10 public office, and to ensure that the employer is reimbursed for any  
11 contributions made to the other program by either the program or  
12 the elected official unless those contributions may be rolled over  
13 into the Public Employees' Retirement System. Before fulfilling the  
14 request, the division shall inform the elected official, in writing, of  
15 the terms and conditions for granting the request, and shall include  
16 an estimate of any resulting loss of contributions and earnings,  
17 penalties that may be imposed by federal or State law, and  
18 contributions to be paid to the system by the employee and  
19 employer for the period of retroactive enrollment. Any  
20 contributions to be paid to the system by the employee for the  
21 period of retroactive enrollment shall be based on the compensation  
22 received for holding the elective public office that is held on the  
23 effective date of this act, P.L. , c. (pending before the  
24 Legislature as this bill).

25

26 2. Section 7 of P.L.1954, c.84 (C.43:15A-7) is amended to read  
27 as follows:

28 7. There is hereby established the Public Employees'  
29 Retirement System of New Jersey in the Division of Pensions and  
30 Benefits of the Department of the Treasury. The membership of the  
31 retirement system shall include:

32 a. The members of the former "State Employees' Retirement  
33 System of New Jersey" enrolled as such as of December 30, 1954,  
34 who shall not have claimed for refund their accumulated deductions  
35 in said system as provided in this section;

36 b. Any person becoming an employee of the State or other  
37 employer after January 2, 1955 and every veteran, other than a  
38 retired member who returns to service pursuant to subsection b. of  
39 section 27 of P.L.1966, c.217 (C.43:15A-57.2) and other than those  
40 whose appointments are seasonal, becoming an employee of the  
41 State or other employer after such date, including a temporary  
42 employee with at least one year's continuous service. The  
43 membership of the retirement system shall not include those  
44 persons appointed to serve as described in paragraphs (2) and (3) of  
45 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2), except a  
46 person who was a member of the retirement system prior to the  
47 effective date of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-  
48 1 through C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and

1 C.43:15A-135) and continuously thereafter. The membership of the  
2 retirement system shall include Workers' Compensation Judges of  
3 the Division of Workers' Compensation in the Department of Labor  
4 and Workforce Development; and

5 c. Every employee veteran in the employ of the State or other  
6 employer on January 2, 1955, who is not a member of any  
7 retirement system supported wholly or partly by the State.

8 d. Membership in the retirement system shall be optional for  
9 elected officials other than veterans, and for school crossing guards,  
10 who having become eligible for benefits under other pension  
11 systems are so employed on a part-time basis. Elected officials  
12 commencing service on or after the effective date of sections 1  
13 through 19 of P.L.2007, c.92 (C.43:15C-1 through C.43:15C-15,  
14 C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-135) shall not  
15 be eligible for membership in the retirement system based on  
16 service in the elective public office, except that an elected official  
17 enrolled in the retirement system as of that effective date who  
18 continues to hold that elective public office or, for an elected  
19 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),  
20 another elective public office, without a break in service shall be  
21 eligible to continue membership in the retirement system under the  
22 terms and conditions of enrollment. An elected official specified in  
23 section 1 of P.L. , c. (C. )(pending before the Legislature as  
24 this bill) shall also be eligible for membership in the retirement  
25 system based on service in elective public office under the terms  
26 and conditions of enrollment. Service in the Legislature shall be  
27 considered a single elective public office. Any part-time school  
28 crossing guard who is eligible for benefits under any other pension  
29 system and who was hired as a part-time school crossing guard  
30 prior to March 4, 1976, may at any time terminate his membership  
31 in the retirement system by making an application in writing to the  
32 board of trustees of the retirement system. Upon receiving such  
33 application, the board of trustees shall terminate his enrollment in  
34 the system and direct the employer to cease accepting contributions  
35 from the member or deducting from the compensation paid to the  
36 member. State employees who become members of any other  
37 retirement system supported wholly or partly by the State as a  
38 condition of employment shall not be eligible for membership in  
39 this retirement system. Notwithstanding any other law to the  
40 contrary, all other persons accepting employment in the service of  
41 the State shall be required to enroll in the retirement system as a  
42 condition of their employment, regardless of age.

43 (1) Before or on November 1, 2008, no person in employment,  
44 office or position, for which the annual salary or remuneration is  
45 fixed at less than \$1,500.00, shall be eligible to become a member  
46 of the retirement system.

47 (2) After November 1, 2008, a person who was a member of the  
48 retirement system on that date and continuously thereafter shall be

1 eligible to be a member of the retirement system in employment,  
2 office or position, for which the annual salary or remuneration is  
3 fixed at \$1,500 or more.

4 (3) After November 1, 2008 and before or on the effective date  
5 of P.L.2010, c.1, a person who was not a member of the retirement  
6 system on November 1, 2008, or who was a member of the  
7 retirement system on that date but not continuously thereafter, and  
8 who is in employment, office or position, for which the annual  
9 salary or remuneration is certified by the applicable public entity at  
10 \$7,500 or more, shall be eligible to become a member of the  
11 retirement system. The \$7,500 minimum annual salary or  
12 remuneration amount shall be adjusted annually by the Director of  
13 the Division of Pensions and Benefits, by regulation, in accordance  
14 with changes in the Consumer Price Index but by no more than 4  
15 percent. "Consumer Price Index" means the average of the annual  
16 increase, expressed as a percentage, in the consumer price index for  
17 all urban consumers in the New York City and Philadelphia  
18 metropolitan statistical areas during the preceding calendar year as  
19 reported by the United States Department of Labor.

20 (4) After the effective date of P.L.2010, c.1, no person in an  
21 employment, office or position of the State, or an agency, board,  
22 commission, authority or instrumentality of the State, for which the  
23 hours of work are fixed at fewer than 35 per week shall be eligible  
24 to become a member of the retirement system; and no person in  
25 employment, office or position with a political subdivision of the  
26 State, or an agency, board, commission, authority or instrumentality  
27 of a political subdivision of the State, for which the hours of work  
28 are fixed by an ordinance or resolution of the political subdivision,  
29 or agency, board, commission, authority or instrumentality thereof,  
30 at fewer than 32 per week shall be eligible to become a member of  
31 the retirement system. Any hour or part thereof, during which the  
32 person does not work due to the person's participation in a  
33 voluntary or mandatory furlough program shall not be deducted in  
34 determining if a person's hours of work are fixed at fewer than 35 or  
35 32 per week, as appropriate, for the purpose of eligibility and the  
36 person's service credit as a member of the system or fund shall  
37 include the period of mandatory or voluntary furlough provided the  
38 person continues to make contributions based on the person's base  
39 salary or compensation. If the pay of a furloughed person is  
40 insufficient to withhold the entirety of the person's regular  
41 contributions, then the person shall remit the entirety of the regular  
42 contribution which was not withheld from the person's pay to the  
43 Division of Pensions and Benefits in the Department of the  
44 Treasury in a manner determined by the division, except that no  
45 deduction for the payment of such contributions shall be made from  
46 the unemployment compensation benefits of the employee.

1 e. Membership of any person in the retirement system shall  
2 cease if he shall discontinue his service for more than two  
3 consecutive years.

4 f. The accumulated deductions of the members of the former  
5 "State Employees' Retirement System" which have been set aside in  
6 a trust fund designated as Fund A as provided in section 5 of this  
7 act and which have not been claimed for refund prior to February 1,  
8 1955 shall be transferred from said Fund A to the Annuity Savings  
9 Fund of the Retirement System, provided for in section 25 of this  
10 act. Each member whose accumulated deductions are so transferred  
11 shall receive the same prior service credit, pension credit, and  
12 membership credit in the retirement system as he previously had in  
13 the former "State Employees' Retirement System" and shall have  
14 such accumulated deductions credited to his individual account in  
15 the Annuity Savings Fund. Any outstanding obligations of such  
16 member shall be continued.

17 g. Any school crossing guard electing to terminate his  
18 membership in the retirement system pursuant to subsection d. of  
19 this section shall, upon his request, receive a refund of his  
20 accumulated deductions as of the date of his appointment to the  
21 position of school crossing guard. Such refund of contributions  
22 shall serve as a waiver of all benefits payable to the employee, to  
23 his dependent or dependents, or to any of his beneficiaries under the  
24 retirement system.

25 h. A temporary employee who is employed under the federal  
26 Workforce Investment Act shall not be eligible for membership in  
27 the system. Membership for temporary employees employed under  
28 the federal Job Training Partnership Act, Pub.L.97-300 (29  
29 U.S.C.s.1501) who are in the system on September 19, 1986 shall  
30 be terminated, and affected employees shall receive a refund of  
31 their accumulated deductions as of the date of commencement of  
32 employment in a federal Job Training Partnership Act program.  
33 Such refund of contributions shall serve as a waiver of all benefits  
34 payable to the employee, to his dependent or dependents, or to any  
35 of his beneficiaries under the retirement system.

36 i. Membership in the retirement system shall be optional for a  
37 special service employee who is employed under the federal Older  
38 American Community Service Employment Act, Pub.L.94-135 (42  
39 U.S.C.s.3056). Any special service employee employed under the  
40 federal Older American Community Service Employment Act,  
41 Pub.L.94-135 (42 U.S.C.s.3056), who is in the retirement system on  
42 the effective date of P.L.1996, c.139 may terminate membership in  
43 the retirement system by making an application in writing to the  
44 board of trustees of the retirement system. Upon receiving the  
45 application, the board shall terminate enrollment in the system and  
46 the member shall receive a refund of accumulated deductions as of  
47 the date of commencement of employment in a federal Older  
48 American Community Service Employment Act program. This

1 refund of contributions shall serve as a waiver of all benefits  
2 payable to the employee, to any dependent or dependents, or to any  
3 beneficiary under the retirement system.

4 j. An employee of the South Jersey Port Corporation who was  
5 employed by the South Jersey Port Corporation as of the effective  
6 date of P.L.1997, c.150 (C.34:1B-144 et al.) and who shall be re-  
7 employed within 365 days of such effective date by a subsidiary  
8 corporation or other corporation, which has been established by the  
9 Delaware River Port Authority pursuant to subdivision (m) of  
10 Article I of the compact creating the Delaware River Port Authority  
11 (R.S.32:3-2), as defined in section 3 of P.L.1997, c.150 (C.34:1B-  
12 146), shall be eligible to continue membership while an employee  
13 of such subsidiary or other corporation.

14 k. An employee of a renaissance school project established  
15 pursuant to P.L.2011, c.176 (C.18A:36C-1 et seq.) upon  
16 commencement of employment.

17 (cf: P.L.2021, c.140, s.2)

18

19 3. Section 75 of P.L.1954, c.84 (C.43:15A-75) is amended to  
20 read as follows:

21 75. (a) If this act is so adopted it shall become effective in the  
22 county or municipality adopting it on June 30 of the following year.  
23 Membership in the Public Employees' Retirement System shall be  
24 optional with the employees of the county, board of education or  
25 municipality in the service on the day the act becomes effective or  
26 on June 30, 1966, whichever is earlier, in such county, board of  
27 education or municipality except in the case of public employee  
28 veterans who on such date are members. An employee who elects  
29 to become a member within one year after this act so takes effect  
30 shall be entitled to prior service covering service rendered to the  
31 county, board of education or municipality prior to July 1, 1966 or  
32 prior to the date this act so becomes effective, whichever is earlier.  
33 Membership shall be compulsory for all employees entering the  
34 service of the county, board of education or municipality on July 1,  
35 1966 or after the date this act becomes effective, whichever is  
36 earlier. Where any such employee entering the service of the  
37 county, board of education or municipality after the date this act so  
38 becomes effective has had prior service for which evidence  
39 satisfactory to the retirement system is presented, as an employee in  
40 such county, board of education or municipality before the date  
41 upon which this act so becomes effective, or July 1, 1966,  
42 whichever is earlier, such employee shall be entitled to prior service  
43 covering service rendered to the county, board of education or  
44 municipality prior to the date this act so becomes effective, or July  
45 1, 1966, whichever is earlier.

46 (b) Notwithstanding the provisions of section 74 of this act and  
47 subsection (a) of this section, every person, other than a non-veteran  
48 elected official, becoming an employee of a county, board of

1 education, municipality or school district after June 30, 1966, who  
2 is not eligible to become a member of another retirement system,  
3 shall be required to become a member of the Public Employees'  
4 Retirement System. Notwithstanding the provisions of section 74  
5 of this act and subsection (a) of this section, membership in the  
6 retirement system shall be optional with any elected official who is  
7 not a veteran, regardless of the date he assumes office, and with any  
8 other person in the employ of any county, board of education,  
9 municipality or school district on June 30, 1966, provided such  
10 elected official or other person is not then a member and is not  
11 required to be a member of the retirement system pursuant to  
12 another provision of this act, and provided further that such person  
13 is not eligible to be a member of another retirement system.  
14 Elected officials commencing service on or after the effective date  
15 of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-1 through  
16 C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-  
17 135) shall not be eligible for membership in the retirement system  
18 based on service in the elective public office, except that an elected  
19 official enrolled in the retirement system as of that effective date  
20 who continues to hold that elective public office or, for an elected  
21 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),  
22 another elective public office, without a break in service shall be  
23 eligible to continue membership in the retirement system under the  
24 terms and conditions of enrollment. An elected official specified in  
25 section 1 of P.L. , c. (C. )(pending before the Legislature as  
26 this bill) shall also be eligible for membership in the retirement  
27 system based on service in elective public office under the terms  
28 and conditions of enrollment.

29 The provisions of this subsection shall not apply to any person  
30 whose position is temporary or seasonal, nor to any person in  
31 office, position or employment for which the annual salary or  
32 remuneration, or the number of hours of work, is fixed at less than  
33 that which is required for membership pursuant to section 7 of  
34 P.L.1954, c.84 (C.43:15A-7) as applicable to the member, nor to  
35 any person whose position is not covered by the old age and  
36 survivors' insurance provisions of the federal Social Security Act.  
37 After the effective date of P.L.2010, c.1, the provisions of this  
38 subsection shall not apply to any person in office, position or  
39 employment for which the hours of work are fewer per week than  
40 those required for membership pursuant to subsection d. of section  
41 7 of P.L.1954, c.84 (C.43:15A-7), unless the person shall have been  
42 a member since that effective date continuously. No credit shall be  
43 allowed to any person becoming a member of the retirement system  
44 pursuant to this subsection for service rendered to the employer  
45 prior to July 1, 1966, until the provisions of section 74 of this act  
46 have been complied with, in which event such credit shall be  
47 allowed in accordance with the provisions of subsection (a) of this  
48 section; except that the governing body of any county, board of



1 education or municipality may, by resolution, consent to the  
2 allowance of such credit and file a certified copy of such resolution  
3 with the board of trustees of the Public Employees' Retirement  
4 System.

5 (cf: P.L.2017, c.344, s.2)

6

7 4. Section 1 of P.L.1972, c.167 (C.43:15A-135) is amended to  
8 read as follows:

9 1. Members of the Legislature commencing service on or after  
10 the effective date of sections 1 through 19 of P.L.2007, c.92  
11 (C.43:15C-1 through C.43:15C-15, C.43:3C-9, C.43:15A-7,  
12 C.43:15A-75 and C.43:15A-135) shall not be eligible for  
13 membership in the retirement system based on service in that  
14 elective office. An elected official specified in section 5 of  
15 P.L.2017, c.344 (C.43:15A-7.5) who was enrolled in the retirement  
16 system as of that effective date as an elected public official and who  
17 continued to hold elective public office shall be eligible to continue  
18 membership in the retirement system under the terms and  
19 conditions of enrollment if thereafter elected to the Legislature  
20 without a break in service as an elected official. A member of the  
21 Legislature enrolled in the retirement system as of that effective  
22 date who continues to hold office as a member of the Legislature  
23 without a break in service shall be eligible to continue membership  
24 in the retirement system under the terms and conditions of the  
25 member's enrollment, except that during service in the Legislature,  
26 a legislator shall be a member of the retirement system on the basis  
27 of only one position of service in an elected office or of  
28 employment with a participating employer, as designated by the  
29 retirement system pursuant to section 28 of P.L.2010, c.1  
30 (C.43:15A-25.2). An elected official specified in section 1 of  
31 P.L. , c. (C. )(pending before the Legislature as this bill)  
32 shall also be eligible for membership in the retirement system based  
33 on service in elective public office under the terms and conditions  
34 of enrollment.

35 (cf: P.L.2017, c.344, s.4)

36

37 5. Section 2 of P.L.2007, c.92 (C.43:15C-2) is amended to read  
38 as follows:

39 2. a. The following persons shall be eligible and shall  
40 participate in the Defined Contribution Retirement Program:

41 (1) A person who commences service on or after the effective  
42 date of this section of P.L.2007, c.92 (C.43:15C-1 et al.) in an  
43 elective public office of this State or of a political subdivision  
44 thereof, except that it shall not include a person who holds elective  
45 public office on the effective date of this section and is enrolled in  
46 the Public Employees' Retirement System while that person  
47 continues to hold that elective public office or, for an elected  
48 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),

1 another elective public office, without a break in service. Service in  
2 the Legislature shall be considered a single elective public office.  
3 An elected official specified in section 1 of P.L. , c. (C.  
4 )(pending before the Legislature as this bill) shall also be eligible  
5 for membership in the retirement system based on service in  
6 elective public office under the terms and conditions of enrollment.

7 (2) A person who commences service on or after the effective  
8 date of this section in an employment, office or position of the State  
9 or of a political subdivision thereof, or an agency, board,  
10 commission, authority or instrumentality of the State or of a  
11 subdivision, pursuant to an appointment by the Governor that  
12 requires the advice and consent of the Senate, or pursuant to an  
13 appointment by the Governor to serve at the pleasure of the  
14 Governor only during his or her term of office. This paragraph  
15 shall not be deemed to include a person otherwise eligible for  
16 membership in the State Police Retirement System or the Judicial  
17 Retirement System. This paragraph shall not include Workers'  
18 Compensation Judges of the Division of Workers' Compensation in  
19 the Department of Labor and Workforce Development.

20 (3) A person who commences service on or after the effective  
21 date of this section in an employment, office or position in a  
22 political subdivision of the State, or an agency, board, commission,  
23 authority or instrumentality of a subdivision, pursuant to an  
24 appointment by an elected public official or elected governing  
25 body, that requires the specific consent or approval of the elected  
26 governing body of the political subdivision that is substantially  
27 similar in nature to the advice and consent of the Senate for  
28 appointments by the Governor of the State as that similarity is  
29 determined by the elected governing body and set forth in an  
30 adopted ordinance or resolution, pursuant to guidelines or policy  
31 that shall be established by the Local Finance Board in the  
32 Department of Community Affairs or the Department of Education,  
33 as appropriate to the elected governing body. This paragraph shall  
34 not be deemed to include a person otherwise eligible for  
35 membership in the Teachers' Pension and Annuity Fund or the  
36 Police and Firemen's Retirement System, or a person who is  
37 employed or appointed in the regular or normal course of  
38 employment or appointment procedures and consented to or  
39 approved in a general or routine manner appropriate for and  
40 followed by the political subdivision, or the agency, board,  
41 commission, authority or instrumentality of a subdivision, or a  
42 person who holds a professional license or certificate to perform  
43 and is performing as a certified health officer, tax assessor, tax  
44 collector, municipal planner, chief financial officer, registered  
45 municipal clerk, construction code official, licensed uniform  
46 subcode inspector, qualified purchasing agent, or certified public  
47 works manager.

1 (4) A person who is granted a pension or retirement allowance  
2 under any pension fund or retirement system established under the  
3 laws of this State and elects to participate pursuant to section 1 of  
4 P.L.1977, c.171 (C.43:3C-3) upon being elected to public office.

5 (5) A member of the Teachers' Pension and Annuity Fund,  
6 Police and Firemen's Retirement System, State Police Retirement  
7 System, or the Public Employees' Retirement System for whom  
8 compensation is defined as the amount of base or contractual salary  
9 equivalent to the annual maximum wage contribution base for  
10 Social Security, pursuant to the Federal Insurance Contributions  
11 Act, for contribution and benefit purposes of those retirement  
12 systems, for whom participation in this retirement program shall be  
13 with regard to any excess over the maximum compensation only.

14 (6) A person in employment, office or position for which the  
15 annual salary or remuneration is less, or the hours of work per week  
16 are fewer, than that which is required to become a member of the  
17 Teachers' Pension and Annuity Fund or the Public Employees'  
18 Retirement System, or to make contributions to those systems as a  
19 member on the basis of any such employment, office or position,  
20 after November 1, 2008.

21 b. No person shall be eligible to participate in the retirement  
22 program with respect to any public employment, office, or position  
23 if:

24 (1) the base salary for that employment, office, or position is  
25 less than \$5,000 per year;

26 (2) the person is, on the basis of service in that employment,  
27 office, or position, eligible for membership or enrolled as a member  
28 of another State or locally-administered pension fund or retirement  
29 system established under the laws of this State including the  
30 Alternate Benefit Program, except as otherwise specifically  
31 provided in subsection a. of this section;

32 (3) the person is receiving a benefit as a retiree from any other  
33 State or locally-administered pension fund or retirement system  
34 established under the laws of this State, except as provided in  
35 section 1 of P.L.1977, c.171 (C.43:3C-3); or

36 (4) the person is an officer or employee of a political  
37 subdivision of this State or of a board of education, or of any  
38 agency, authority or instrumentality thereof, who is ineligible for  
39 membership in the Public Employees' Retirement System pursuant  
40 to section 20 of P.L.2007, c.92 (C.43:15A-7.2).

41 c. A person eligible and required to participate in the  
42 retirement program pursuant to paragraph (5) of subsection a. of  
43 this section may elect to waive participation with regard to that  
44 employment, office, or position by filing, when first eligible, on a  
45 form required by the division, a written waiver with the Division of  
46 Pensions and Benefits that waives all rights and benefits that would  
47 otherwise be provided by the retirement program. Such a person  
48 may thereafter elect to participate in the retirement program by

1 filing, on a form required by the division, a written election to  
2 participate in the retirement program and participation in the  
3 retirement program pursuant to such election shall commence on  
4 the January 1 next following the filing of the election to participate.

5 d. Service credited to a participant in the Defined Contribution  
6 Retirement Program shall not be recognized as service credit to  
7 determine eligibility for employer-paid health care benefits in  
8 retirement pursuant to P.L.1961, c.49 (C.52:14-17.25 et seq.),  
9 N.J.S.40A:10-16 et seq., P.L.1979, c.391 (C.18A:16-12 et al.) or  
10 any other law, rule or regulation.

11 (cf: P.L.2020, c.140, s.1)

12  
13 6. This act shall take effect immediately.

14  
15  
16 STATEMENT

17  
18 This bill changes membership eligibility for the Public  
19 Employees' Retirement System (PERS) for certain elected public  
20 officials and provides for PERS reenrollment.

21 Under the bill, a person will be eligible to reenroll in PERS if the  
22 person:

23 (1) was a member of PERS on July 1, 2007;

24 (2) has 10 or more years of service credit in the PERS on the  
25 effective date of this bill;

26 (3) was elected to public office, or selected to fill a vacancy in  
27 an elective public office, after July 1, 2007;

28 (4) has at least 10 years of continuous service in one or more  
29 elective public offices of this State; and

30 (5) holds an elective public office on the effective date of this  
31 bill.

32 This would not apply to a person who had a break in service of  
33 more than 60 days between the termination of the employment that  
34 made the person eligible to be a member of PERS and the  
35 commencement of service in the elective public office.

36 Under current law, a person who has been elected to public  
37 office after July 1, 2007 is required to participate in the Defined  
38 Contribution Retirement Program (DCRP).

39 Under the bill, as of the date of enrollment in the system, the  
40 elected official's participation, if any, in another State-administered  
41 retirement program on the basis of that elective public office would  
42 be suspended. The elected public official may elect to waive  
43 enrollment in the PERS by signing a form prepared by the division.

44 The bill also provides that an elected public official eligible for  
45 enrollment in PERS under the bill may request, in writing, within  
46 180 days of the bill's effective date that the official's enrollment in  
47 the system be made retroactive to the date of the elected official's  
48 assumption of the elective public office. The bill requires that any

**S4250 CRYAN**

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1 contributions to be paid to the PERS by the employee for the period  
2 of retroactive enrollment would be based on the compensation  
3 received for the elective public office held on the effective date of  
4 the bill.