

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1252

STATE OF NEW JERSEY

DATED: JUNE 27, 1996

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1252.

Assembly Bill No. 1252 shortens the length of time that the surviving spouse of a retirant from the Police and Firemen's Retirement System (PFRS) must have been married to the retirant in order for the spouse to qualify for a widow or widower's pension under the retirement system.

Under current law, "widow" and "widower" means the woman or the man, respectively, to whom a PFRS member or retirant was married at least two years and to whom the member or retirant continued to be married until death and who has not remarried. This bill changes the two-year period to one year.

In addition, the bill eliminates a requirement, applicable to widowers but not to widows, that to be eligible for a pension, the survivor must have been receiving at least one-half of his support from the decedent in the year preceding her death.

The PFRS statute provides, N.J.S.A.43:16A-12.1, that upon the death after retirement of a PFRS member, the retirant's widow or widower will receive a pension of 50% of average compensation for the three years of creditable service preceding retirement or any three fiscal years providing the largest possible benefit.

Under current law, the marriage duration requirement is waived for a widow or widower of a member who dies in actual performance of duty. The surviving spouse is entitled to a pension of 70% of the member's compensation. This bill, upon enactment, will be retroactive to January 1, 1995.

The provisions of this bill were part of recommendations made last session by the Pension and Health Benefits Review Commission in its review of a similar bill, S-2028 of 1994-95, which shortened the marriage duration requirement from two years to 18 months.

This bill is identical Senate No. 129 (2R) of 1996.

FISCAL IMPACT:

The Office of Legislative Services noted that it cannot estimate the additional liability of this legislation to PFRS because there is no information available on the number of members who die after one year but before 24 months of marriage. This situation is rare.