

ASSEMBLY, No. 1268

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman COLLINS

1 AN ACT concerning membership in and withdrawal from the
2 Supplemental Annuity Collective Trust and amending and
3 supplementing P.L.1963, c.123.

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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. Section 7 of P.L.1963, c.123 (C.52:18A-113) is amended to
9 read as follows:

10 7. Contributions by a participant shall be made through payroll
11 deductions of integral dollar amounts not in excess of 10% of the
12 participant's salary. Participants who are making contributions
13 through payroll deductions may also make lump sum contributions by
14 direct payments in integral dollar amounts of not less than \$50.00,
15 provided, however, that the total contributions for any one year may
16 not exceed 10% of the participant's annual salary.

17 Contributions by a participant shall cease upon retirement, death,
18 [or upon] termination of membership in a State administered
19 retirement system or withdrawal from the Supplemental Annuity
20 Collective Trust.

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22 2. (New section) Any participant may elect to terminate
23 participation in the Supplemental Annuity Collective Trust without
24 terminating membership in any State administered retirement system
25 by filing a withdrawal application with the Supplemental Annuity
26 Collective Trust.

27 In that event, the participant shall receive a single cash payment
28 which shall be an amount equal to the value of his account as of the
29 last day of the calendar month in which he ceases to be a participant
30 of the Supplemental Collective Annuity Trust.

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32 3. This act shall take effect immediately.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

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STATEMENT

This bill permits Supplemental Annuity Collective Trust participants to terminate their participation in the Supplemental Annuity Collective Trust without affecting their membership in State administered retirement system. This bill also provides that a person who ceases participation in the Supplemental Annuity Collective Trust shall receive a single cash payment in an amount equal to the value of his account as of the last day of the calendar month in which he ceases to be a participant of the Supplemental Annuity Collective Trust.

Permits termination in the Supplemental Annuity Collective Trust without affecting membership in the State Retirement System.