

ASSEMBLY, No. 2785

STATE OF NEW JERSEY

INTRODUCED MARCH 3, 1997

By Assemblyman KELLY

1 AN ACT concerning certain survivor benefits under the Police and
2 Firemen's Retirement System of New Jersey and amending
3 P.L.1944, c.255.

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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 9 of P.L.1944, c.255 (C.43:16A-9) is amended to read
9 as follows:

10 9. (1) Upon the receipt of proper proof of the death of a member
11 in active service on account of which no accidental death benefit is
12 payable under section 10 (C.43:16A-10):

13 If the member shall not have established 25 years of creditable
14 service at the time of death, there shall be paid to such member's
15 beneficiary[:] (a) [The] the member's aggregate contributions at the
16 time of death, and (b) [An] an amount equal to 3 1/2 times the
17 compensation upon which contributions by the member to the annuity
18 savings fund were based in the last year of creditable service;

19 If the member shall have established 25 years of creditable service
20 at the time of death, there shall be paid to the member's widow or
21 widower a pension of 50% of average final compensation for the use
22 of herself or himself, to continue during her or his widowhood, plus
23 15% of such compensation payable to one surviving child or an
24 additional 25% of such compensation to two or more children; if there
25 is no surviving widow or widower or in case the widow or widower
26 dies or remarries, 20% of average final compensation will be payable
27 to one surviving child, 35% of such compensation to two surviving
28 children in equal shares and if there be three or more children, 50% of
29 such compensation would be payable to such children in equal shares.

30 (2) a. For the purposes of this section and section 10 (5), a member
31 of the Police and Firemen's Retirement System shall be deemed to be
32 an active member for a period of no more than 93 days while on
33 official leave of absence without pay when such leave is due to any
34 reason other than illness, and for a period of not more than one year

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.

1 in the event of an official leave (a) due to the member's maternity, or
2 (b) to fulfill a residency requirement for an advanced degree, or (c) as
3 a full-time student at an institution of higher education, and (1) while
4 he is disabled due to sickness or injury arising out of or in the course
5 of his employment as a member to whom this act applies, is not
6 engaged in any gainful occupation, and is receiving or entitled to
7 receive periodic benefits (including any commutation of, or substitute
8 for, such benefits) for loss of time on account of such disability under
9 or by reason of workmen's compensation law, occupational disease
10 law or similar legislation and has not retired or terminated his
11 membership; or (2) for a period of no more than two years while on
12 official leave of absence without pay if satisfactory evidence is
13 presented to the retirement system that such leave of absence without
14 pay is due to the member's personal illness other than an illness to
15 which (1) above applies.

16 b. If a member dies within 30 days after the date of retirement or
17 the date of board approval, whichever is later, a death benefit shall be
18 payable only if he is deemed to be an active member in accordance
19 with this section; provided, however, a member applying for disability
20 benefits shall be deemed an active member if he was covered by the
21 death benefit provisions of the act at the termination of employment,
22 filed the application for disability retirement with the retirement system
23 within 30 days following such termination of employment and dies
24 within 30 days after the date of retirement or the date of board
25 approval, whichever is later. If a member files an application for
26 disability retirement while in service and otherwise meets the
27 requirements for disability retirement, but dies before the retirement
28 takes effect, the retirement shall be considered effective.

29 (cf: P.L.1995, c.47, s.1)

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31 2. This act shall take effect immediately.

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STATEMENT

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36 This bill revises the survivorship benefits payable upon the non-
37 service-connected death of an active member of the Police and
38 Firemen's Retirement System (PFRS).

39 Under current law, upon the non-accidental death in service of any
40 PFRS member, those benefits are payable to the member's beneficiary
41 and consist of (a) return of the member's aggregate contributions at
42 the time of death, plus (b) an amount equal to 3½ times the member's
43 pensionable salary during the last year of creditable service.

44 Under the bill, if the active member shall have established 25 years
45 of creditable service prior to death, the survivorship benefits are to be
46 equivalent to the benefits that would have been payable if the member

1 had been a retirant with 25 years or more of creditable service. Those
2 benefits consist of (1) payment to the member's beneficiary of an
3 amount equal to $\frac{1}{2}$ of the compensation received by the member in the
4 last 12 months of creditable service preceding death, plus (2) payment
5 to the member's surviving spouse during that person's widowhood of
6 a pension of 50% of average final compensation, plus an additional
7 15% of such compensation payable to one surviving child or an
8 additional 25% of such compensation to two or more children.

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13 Provides that ordinary death benefits to survivors of active PFRS
14 members with at least 25 years' service shall be same as benefits to
15 survivors of PFRS retirants.

WITHDRAWN