

P.L. 1997, CHAPTER 397, *approved January 19, 1998*  
Senate, No. 2117 (*First Reprint*)

1 AN ACT concerning the purchase of certain service credit in State-  
2 administered retirement systems.

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

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7 1. A retiree under a State-administered retirement system who is  
8 also receiving a pension based on public employment in another state and  
9 who was <sup>1</sup>[denied] ineligible for<sup>1</sup> enrollment in a State-administered  
10 retirement system <sup>1</sup>prior to September 10, 1991<sup>1</sup> because of eligibility to  
11 receive a pension based on public employment in another state may apply,  
12 within <sup>1</sup>[180] 30<sup>1</sup> days of the effective date of this act, to the board of  
13 trustees of the retirement system to purchase up to 10 years of credit for  
14 the service which had been rendered in any position covered by the  
15 retirement system for which <sup>1</sup>[, as the result of that denial of enrollment,]<sup>1</sup>  
16 the person has received no credit. The retiree may purchase all or a  
17 portion of the service credit by paying into the annuity savings fund the  
18 amount required by applying the factor, supplied by the actuary, as being  
19 applicable to the retiree's age at the time of the purchase to the highest  
20 annual compensation for service in this State for which contributions were  
21 made during any prior fiscal year of membership. A retiree shall not be  
22 liable for any costs associated with the financing of pension adjustment  
23 benefits and health care benefits for retirees when purchasing service  
24 credit. The purchase shall be made in a lump sum and the retiree's  
25 retirement allowance shall be recalculated to reflect the purchased service  
26 credit.

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28 2. This act shall take effect immediately and shall expire <sup>1</sup>[181]  
29 31<sup>1</sup> days thereafter.

**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.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SSM committee amendments adopted December 15, 1997.

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3 Allows retirees to purchase service credit for certain prior employment.