

SENATE STATE MANAGEMENT, INVESTMENT AND
FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

SENATE, No. 767

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 6, 1996

The Senate State Management, Investment and Financial Institutions Committee reports favorably and with committee amendments Senate, No. 767.

At present, the surviving spouse of a member of the Police and Firemen's Retirement System (PFRS) or the State Police Retirement System (SPRS) who died in active service as a result of an accident met in the actual performance of duty loses the accidental death benefit pension if he or she remarries. This bill would allow these surviving spouses to remarry without losing this benefit. The basic accidental death benefit for a surviving PFRS spouse is a pension of 70% of the compensation upon which contributions by the member were based in the last year of creditable service; for a surviving SPRS spouse the benefit is a pension of 70% of the average compensation received by the member in the last 12 months of creditable service prior to death. The bill also restores the accidental death benefit to those surviving spouses who lost this benefit because of remarriage if they reapply within five years after the effective date of this act to receive the benefit. The Division of Pensions and Benefits shall review its records to determine which persons may be reclassified as surviving spouses and shall notify such persons of their eligibility.

Last session, the Pension and Health Benefits Review Commission recommended that the Legislature enact a similar bill, S-413.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- (1) remove the dependency provisions in the PFRS definition of widower;
- (2) provide that a surviving spouse who became ineligible to receive the accidental death benefit because of remarriage must reapply within five years after the effective date of this act to receive the benefit; and

(3) require the Division of Pensions and Benefits to review its records to determine which persons may be reclassified as a surviving spouse and to notify such persons of their eligibility.