

SENATE, No. 1140

STATE OF NEW JERSEY

INTRODUCED MAY 16, 1996

By Senator CODEY

1 AN ACT concerning accidental disability retirement in the Police and  
2 Firemen's Retirement System, amending and supplementing  
3 P.L.1944, c.255, and supplementing P.L.1958, c.143 (C.43:3B-1 et  
4 seq.).

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6 **BE IT ENACTED** by the Senate and General Assembly of the State  
7 of New Jersey:

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9 1. Section 7 of P.L.1944, c.255 (C.43:16A-7) is amended to read  
10 as follows:

11 7. (1) Upon the written application by a member in service, by one  
12 acting in his behalf or by his employer any member may be retired on  
13 an accidental disability retirement allowance; provided, that the  
14 medical board, after a medical examination of such member, shall  
15 certify that the member is permanently and totally disabled as a direct  
16 result of a traumatic event occurring during and as a result of the  
17 performance of his regular or assigned duties and that such disability  
18 was not the result of the member's willful negligence and that such  
19 member is mentally or physically incapacitated for the performance of  
20 his usual duty and of any other available duty in the department which  
21 his employer is willing to assign to him. The application to accomplish  
22 such retirement must be filed within five years of the original traumatic  
23 event, but the board of trustees may consider an application filed after  
24 the five-year period if it can be factually demonstrated to the  
25 satisfaction of the board of trustees that the disability is due to the  
26 accident and the filing was not accomplished within the five-year  
27 period due to a delayed manifestation of the disability or to other  
28 circumstances beyond the control of the member.

29 (2) Upon retirement for accidental disability, a member shall  
30 receive an accidental disability retirement allowance which shall  
31 consist of:

32 (a) An annuity which shall be the actuarial equivalent of his  
33 aggregate contributions and

34 (b) A pension in the amount which, when added to the member's

**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 annuity, will provide a total retirement allowance of 2/3 of the  
2 member's actual annual compensation for which contributions were  
3 being made at the time of the occurrence of the accident or at the time  
4 of the member's retirement, whichever provides the largest possible  
5 benefit to the member.

6 (3) Upon receipt of proper proofs of the death of a member who  
7 has retired on accidental disability retirement allowance, there shall be  
8 paid to such member's beneficiary, an amount equal to 3 1/2 times the  
9 compensation upon which contributions by the member to the annuity  
10 savings fund were based in the last year of creditable service;  
11 provided, however, that if such death shall occur after the member  
12 shall have attained 55 years of age the amount payable shall equal 1/2  
13 of such compensation instead of 3 1/2 times such compensation.

14 (4) Permanent and total disability resulting from a cardiovascular,  
15 pulmonary or musculo-skeletal condition which was not a direct result  
16 of a traumatic event occurring in the performance of duty shall be  
17 deemed an ordinary disability.

18 (cf: P.L.1989, c.204, s.3)

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20 2. (New section) Any increased pension benefits payable under  
21 this act, P.L. , c. (C. ) (now pending before the Legislature as  
22 this bill), shall apply to the benefits received by any member who  
23 retired on an accidental disability retirement on or after April 1, 1991  
24 and shall apply only to pension benefits payable on or after the  
25 effective date of this act.

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27 3. (New section) The provisions of section 7 of P.L.1969, c.169  
28 (C.43:3B-8) shall not apply to section 7 of P.L.1944, c.255  
29 (C.43:16A-7), as amended by this act, P.L. , c. (C. ) (now  
30 pending before the Legislature as this bill), and the annual cost of  
31 living adjustment received by surviving spouses under P.L.1958, c.143  
32 (C.43:3B-1 et seq.), as amended and supplemented by P.L.1969,  
33 c.169, shall be calculated as of the date of retirement of the member  
34 of the retirement system.

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36 4. This act shall take effect immediately.

#### 37 38 39 STATEMENT

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41 At present, a member of the Police and Firemen's Retirement  
42 System (PFRS) who retires on accidental disability receives a  
43 retirement allowance of 2/3 of the member's actual annual  
44 compensation for which contributions were being made at the time of  
45 the occurrence of the accident. This bill provides that the member may  
46 instead receive a retirement allowance of 2/3 of the member's actual

1 annual compensation for which contributions were being made at the  
2 time of the member's retirement, whichever provides the largest  
3 possible benefit to the member.

4 Any increased pension benefits payable under this act shall apply to  
5 the benefits received by any member who retired on an accidental  
6 disability retirement on or after April 1, 1991 and shall apply only to  
7 pension benefits payable on or after the effective date of this act. The  
8 bill also provides that retirees will maintain their pension adjustment  
9 benefits.

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14 Establishes alternate basis for calculation of accidental disability  
15 retirement allowance.