

[Passed Both Houses]

SENATE, No. 1140

STATE OF NEW JERSEY

INTRODUCED MAY 16, 1996

By Senator CODEY and Assemblyman Jones

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:

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

3 (b) A pension in the amount which, when added to the member's
4 annuity, will provide a total retirement allowance of 2/3 of the
5 member's actual annual compensation for which contributions were
6 being made at the time of the occurrence of the accident or at the time
7 of the member's retirement, whichever provides the largest possible
8 benefit to the member.

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

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

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

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

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

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39 4. This act shall take effect immediately.

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STATEMENT

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44 At present, a member of the Police and Firemen's Retirement
45 System (PFRS) who retires on accidental disability receives a
46 retirement allowance of 2/3 of the member's actual annual

1 compensation for which contributions were being made at the time of
2 the occurrence of the accident. This bill provides that the member may
3 instead receive a retirement allowance of 2/3 of the member's actual
4 annual compensation for which contributions were being made at the
5 time of the member's retirement, whichever provides the largest
6 possible benefit to the member.

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

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17 Establishes alternate basis for calculation of accidental disability
18 retirement allowance.