

SENATE, No. 2072

STATE OF NEW JERSEY

INTRODUCED MAY 15, 1997

By Senator BASSANO

1 AN ACT concerning the age of retirement for certain members of the
2 Police and Firemen's Retirement System of New Jersey and
3 amending P.L.1944, c.255.

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

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8 1. Section 5 of P.L.1944, c.255 (C.43:16A-5) is amended to read
9 as follows:

10 5. (1) (a) Any member in service who has attained age 55 years
11 may retire on a service retirement allowance upon filing a written and
12 duly executed application to the retirement system, setting forth at
13 what time, not less than 1 month subsequent to the filing thereof, he
14 desires to be retired.

15 (b) Any member in service who attains age 65 years shall be retired
16 on a service retirement allowance forthwith on the first day of the next
17 calendar month.

18 Notwithstanding the foregoing provisions of this paragraph, an
19 employer other than the State may authorize each member in service
20 with that employer at the time of the reinstatement of the mandatory
21 retirement age of 65 years pursuant to section 4(j) of the Age
22 Discrimination in Employment Act of 1967, 29 U.S.C. § 623(j),
23 reenacted and amended by the Age Discrimination in Employment
24 Amendments of 1996, Pub.L.104-208, to continue employment with
25 the employer and enrollment in the retirement system until attainment
26 of 70 years of age. Such authorization shall become effective upon
27 adoption by the governing body of the employer of an appropriate
28 ordinance or resolution, as the case may be, and the filing of a certified
29 copy of that ordinance or resolution with the board of trustees of the
30 retirement system, and upon such filing, the ordinance or resolution
31 shall be irrevocable.

32 (2) Upon retirement for service a member shall receive a service
33 retirement allowance which shall consist of:

34 (a) An annuity which shall be the actuarial equivalent of his

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 aggregate contributions and

2 (b) A pension in the amount which, when added to the member's
3 annuity, will provide a total retirement allowance of one-sixtieth of his
4 average final compensation multiplied by the number of years of his
5 creditable service, or 2% of his average final compensation multiplied
6 by the number of years of his creditable service up to 30 plus 1% of
7 his average final compensation multiplied by the number of years of
8 creditable service over 30, whichever is greater.

9 (3) Upon the receipt of proper proofs of the death of a member
10 who has retired on a service retirement allowance, there shall be paid
11 to his beneficiary an amount equal to one-half of the compensation
12 upon which contributions by the member to the annuity savings fund
13 were based in the last year of creditable service.

14 (cf: P.L.1973, c.109, s.1)

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16 2. This act shall take effect immediately.

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STATEMENT

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21 This bill permits a local government employer of public safety
22 officers covered by the Police and Firemen's Retirement System
23 (PFRS) to continue certain of those officers in service with the
24 employer past the regular PFRS mandatory retirement age of 65.

25 The section of the federal Age Discrimination in Employment Act
26 of 1967 that permitted a State or political subdivision of a State to
27 impose a maximum hiring age or a mandatory retirement age with
28 respect to employment as a firefighter or as a law enforcement officer
29 was repealed on December 31, 1993. The Age Discrimination in
30 Employment Amendments of 1996 reenact and amend that provision,
31 permitting reinstatement of the regular PFRS mandatory retirement
32 age of 65. In New Jersey, between December 31, 1993 and the date
33 on which the State reimposes this age restriction as permitted by the
34 1996 amendments, firefighters and law enforcement officers are able
35 to continue their PFRS-covered employment beyond age 65.

36 Under the bill, an employer other than the State could authorize its
37 PFRS-covered employees at the time of the reinstatement of the
38 mandatory retirement age of 65 to continue employment with the
39 employer and enrollment in the PFRS until age 70. The authorization
40 would take effect upon adoption by the governing body of the
41 employer of an appropriate ordinance or resolution and the filing of a
42 certified copy of that ordinance or resolution with the PFRS board of
43 trustees. Once the ordinance or resolution was filed, the authorization
44 would be irrevocable.

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3 Permits service in PFRS-covered employment until age 70 in certain

4 cases.