

[Passed Both Houses]

[First Reprint]

SENATE, No. 2117

STATE OF NEW JERSEY

INTRODUCED JUNE 5, 1997

By Senator CAFIERO, Assemblymen Asselta and Gibson

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
9 and who was ¹[denied] ineligible for¹ enrollment in a State-
10 administered retirement system ¹prior to September 10, 1991¹ because
11 of eligibility to receive a pension based on public employment in
12 another state may apply, within ¹[180] 30¹ days of the effective date
13 of this act, to the board of trustees of the retirement system to
14 purchase up to 10 years of credit for the service which had been
15 rendered in any position covered by the retirement system for which
16 ¹[, as the result of that denial of enrollment,]¹ the person has received
17 no credit. The retiree may purchase all or a portion of the service
18 credit by paying into the annuity savings fund the amount required by
19 applying the factor, supplied by the actuary, as being applicable to the
20 retiree's age at the time of the purchase to the highest annual
21 compensation for service in this State for which contributions were
22 made during any prior fiscal year of membership. A retiree shall not
23 be liable for any costs associated with the financing of pension
24 adjustment benefits and health care benefits for retirees when
25 purchasing service credit. The purchase shall be made in a lump sum
26 and the retiree's retirement allowance shall be recalculated to reflect
27 the purchased service credit.

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29 2. This act shall take effect immediately and shall expire ¹[181] 31¹

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:

¹ Senate SSM committee amendments adopted December 15, 1997.

1 days thereafter.

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6 Allows retirees to purchase service credit for certain prior
7 employment.