

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 4687**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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ADOPTED JUNE 9, 2021

**Sponsored by:**

**Assemblyman ANTHONY S. VERRELLI**

**District 15 (Hunterdon and Mercer)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

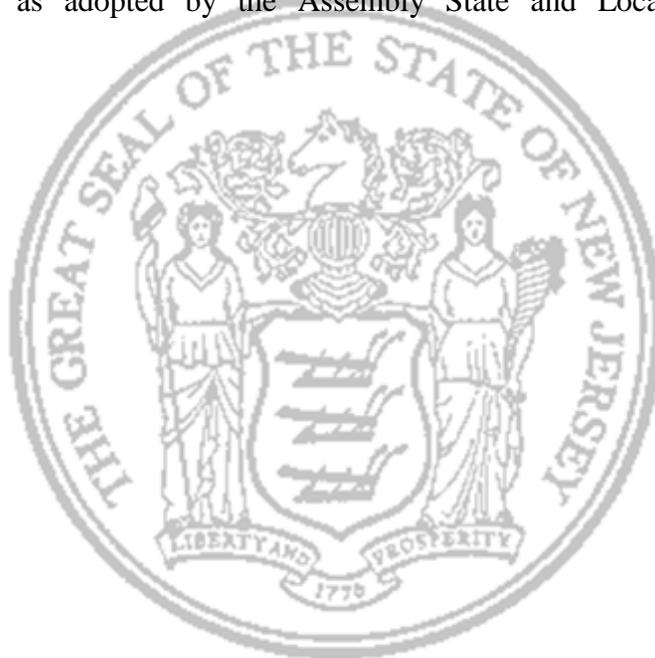
**Assemblywoman Murphy**

**SYNOPSIS**

Provides service credit for PERS member for former membership in transit retirement program.

**CURRENT VERSION OF TEXT**

Substitute as adopted by the Assembly State and Local Government Committee.



**(Sponsorship Updated As Of: 6/24/2021)**

1 **AN ACT** concerning service credit for certain public employees in  
2 the Public Employees' Retirement System and amending  
3 P.L.1954, c.84.

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

7  
8 1. Section 39 of P.L.1954, c.84 (C.43:15A-39) is amended to  
9 read as follows:

10 39. a. In computing for retirement purposes the total service of a  
11 member about to be retired, the retirement system shall credit the  
12 member with the time of all service rendered by the member since  
13 that member's last enrollment, and in addition with all the service to  
14 which the member is entitled and with no other service. Except as  
15 otherwise provided in this act, this service credit shall be final and  
16 conclusive for retirement purposes unless the member shall  
17 discontinue service for more than two consecutive years. In the case  
18 of a member for whom compensation is defined in paragraph (2) of  
19 subsection r. of section 6 of P.L.1954, c.84 (C.43:15A-6), the  
20 retirement system shall credit the member with the time of all  
21 service rendered by the member during the part of any year that the  
22 member was a participant of the Defined Contribution Retirement  
23 Program, pursuant to paragraph (5) of subsection a. of section 2 of  
24 P.L.2007, c.92 (C.43:15C-2) as amended by section 12 of P.L.2007,  
25 c.103, and making contributions to that program.

26 For the purpose of computing service for retirement purposes,  
27 the board shall fix and determine by appropriate rules and  
28 regulations how much service in any year shall equal a year of  
29 service and a part of a year of service. Not more than one year shall  
30 be credited for all service in a calendar year. A member may  
31 purchase credit for time during which the member shall have been  
32 absent on an official leave without pay. The credit shall be  
33 purchased for a period of time equal to:

34 (1) three months or the duration of the leave, whichever is less;  
35 or

36 (2) if the leave was due to the member's personal illness, two  
37 years or the duration of the leave, whichever is less; or

38 (3) the period of leave that is specifically allowed for retirement  
39 purposes by the provisions of any law of this State.

40 The purchase shall be made in the same manner and be subject to  
41 the same terms and conditions provided for the purchase of previous  
42 membership service credit by section 8 of P.L.1954, c.84  
43 (C.43:15A-8). In computing the service or in computing final  
44 compensation, no time during which a member was in employment,  
45 office, or position for which the annual salary or remuneration was

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 fixed at less than \$500.00 in the case of service rendered prior to  
2 November 6, 1986, or for which the annual salary or remuneration,  
3 or the number of hours of work, is fixed at less than that which was  
4 required for membership pursuant to section 7 of P.L.1954, c.84  
5 (C.43:15A-7) as applicable to the member in the case of service  
6 rendered on or after that date, shall be credited. In computing the  
7 service or in computing final compensation, no time during which a  
8 member was in employment, office, or position for which the hours  
9 of work were fewer per week than those required for membership  
10 pursuant to subsection d. of section 7 of P.L.1954, c.84 (C.43:15A-  
11 7) after the effective date of P.L.2010, c.1 shall be credited, unless  
12 the member shall have been a member since that effective date  
13 continuously. In the case of a veteran member credit shall be given  
14 for service rendered prior to January 2, 1955, in an employment,  
15 office or position if the annual salary or remuneration therefor was  
16 fixed at not less than \$300.00 and such service consisted of the  
17 performance of the full duties of the employment, office or position.

18 b. In computing for retirement purposes the total service of a  
19 member about to be retired, the retirement system shall credit the  
20 member with the time of all service rendered by the member during  
21 participation as a member, on or before July 30, 2006, in the Transit  
22 Employees' Retirement Program of the New Jersey Transit  
23 Corporation which corporation was created and established  
24 pursuant to the "New Jersey Public Transportation Act of 1979,"  
25 P.L.1979, c.150 (C.27:25-1 et seq.). The member shall receive  
26 credit for all the years, and parts thereof, of such participation in the  
27 retirement program and the service credited shall be used to meet  
28 any service credit requirement for benefits under this retirement  
29 system.

30 No contributions by the member or the public employer, or  
31 purchase by the member, shall be required for the service credited  
32 in the retirement system in accordance with this subsection.

33 This subsection shall apply even if the member is eligible for or  
34 receiving a benefit from the retirement program based on the same  
35 years of service, or parts thereof, that are credited in accordance  
36 with this subsection for the retirement purposes of this retirement  
37 system.

38 Service credited in accordance with this subsection shall be  
39 included in total service credit for the purposes of determining  
40 eligibility for health care benefits in retirement.

41 (cf: P.L.2010, c.1, s.4)

42

43 2. This act shall take effect immediately.