

Chapter 278, P.L. 2001

(Approved December 27, 2001)

[Second Reprint]

SENATE, No. 517

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Mercer)

Senator JOSEPH A. PALAIA

District 11 (Monmouth)

Co-Sponsored by:

**Senator Cafiero, Assemblymen Bateman, LeFevre
and Gibson**

SYNOPSIS

Allows PERS retiree to earn \$15,000 aggregate annual compensation in PERS-covered employment

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without reenrollment.

CURRENT VERSION OF TEXT

As reported by the Assembly State Government
Committee on January 23, 2001, with amendments.

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 SSG committee amendments adopted November 9, 2000.

² Assembly ASG committee amendments adopted January 23, 2001.

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(Sponsorship Updated As Of: 11/30/2001)

AN ACT concerning the employment of certain retired members of the Public Employees' Retirement System of New Jersey and amending P.L.1966, c.217.

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

1. Section 27 of P.L.1966, c.217 (C.43:15A-57.2) is amended to read as follows:

27. a. Except as provided in subsection b. of this section, if a former member of the State Employees' Retirement System or the retirement system, who has been granted a retirement allowance for any cause other than disability, becomes employed again in a position which makes him eligible to be a member of the retirement system, his retirement allowance and the right to any death benefit as a result of his former membership, shall be canceled until he again retires.

Such person shall be re-enrolled in the retirement system and shall contribute thereto at a rate based on his age at the time of re-enrollment. Such person shall be treated as an active member for determining disability or death benefits while in service and no benefits pursuant to an optional selection with respect to his former membership shall be paid if his death shall occur during the period of such re-enrollment.

Upon subsequent retirement of such member, his former retirement allowance shall be reinstated together with any optional selection, based on his former membership. In addition, he shall receive an additional retirement allowance based on his subsequent service as a member computed in accordance with applicable provisions of chapter 84 of the

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laws of 1954; provided, however, that his total retirement allowance upon such subsequent retirement shall not be a greater proportion of his final compensation than the proportion to which he would have been entitled had he remained in service during the period of his prior retirement. Any death benefit to which such member shall be eligible shall be based on his latest retirement, but shall not be less than the death benefit that was applicable to his former retirement.

b. The cancellation, re-enrollment, and additional retirement allowance provisions of subsection a. of this section shall not apply to a former member of the retirement system who, after having been granted a retirement allowance, becomes employed again by an employer ²or employers² in a position ²or positions² for which the ²aggregate² compensation does not exceed [~~\$10,000~~]¹[\$15,000] ²[\$25,000] \$15,000² per year. The Director of the Division of Pensions and Benefits may from time to time adjust this amount. This adjustment shall be 3/5 of the percentage of change in the index, as defined in section 1 of P.L.1958, c.143 (C.43:3B-1), over a period of time as determined by the director. (cf: P.L.1997, c.23, s.2)

2. This act shall take effect immediately.

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