

Chapter 228, P.L. 2001

(Approved August 27, 2001)

SENATE, No. 932

STATE OF NEW JERSEY

209th LEGISLATURE

INTRODUCED FEBRUARY 10, 2000

Sponsored by:

Senator NORMAN M. ROBERTSON

District 34 (Essex and Passaic)

SYNOPSIS

Permits rehired firefighter to purchase PFRS credit for 3 years of layoff period.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning the Police and Firemen's Retirement System of New Jersey and supplementing P.L.1944, c.255 (C.43:16A-1 et seq.).

BE IT ENACTED *by the Senate and General Assembly of the State of*

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New Jersey:

1. Notwithstanding the provisions of section 4 of P.L.1944, c.255 (C.43:16A-4), any member who is separated involuntarily from firefighting service covered by the retirement system, and not by removal for cause or charges of misconduct or delinquency, and who subsequently becomes a fireman in a position covered by the retirement system may, upon filing an application with the board of trustees of the retirement system, purchase credit in the retirement system for all or a portion of the time of the hiatus in creditable service, but not exceeding three years, as provided in this section.

The member may purchase credit for the service by paying into the annuity savings fund the amount determined by applying the factor, supplied by the actuary, applicable to the member's age at the time of the purchase, to the member's creditable salary in the last 12 months of creditable service in the position covered by the retirement system immediately preceding the involuntary separation from service. The purchase may be made in regular monthly installments or in a lump sum as the member may elect and pursuant to rules and regulations as may be promulgated by the Division of Pensions and Benefits. The member shall bear the entire cost for the additional retirement benefit attributable to the purchased credit. If, upon retirement, the member's payment for purchase of the credit is insufficient to provide for the additional retirement benefit attributable to the service, the difference may be assessed to the member, or a pro rata credit may be granted based on service purchased prior to the date of retirement, at the election of the member.

If the member retires prior to completing the purchase, the member shall receive pro rata credit for service purchased prior to the date of retirement, unless the member makes an additional lump sum payment at that time as shall be necessary to provide full credit.

2. This act shall take effect immediately.

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STATEMENT

This bill permits a member of the Police and Firemen's Retirement System (PFRS) who is laid off from employment as a firefighter and subsequently rehired as a firefighter in a position covered by PFRS to purchase up to three years of service credit for the time between layoff and rehire. The cost of the purchase is to be borne fully by the member and is based on the member's salary for the last 12 months of creditable service immediately preceding the involuntary separation from service.