

CHAPTER 399

AN ACT concerning the purchase of service credit by members of the State Police Retirement System and supplementing Title 53 of the Revised Statutes.

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

C.53:5A-6.2 State-administered retirement system credit, eligibility.

1. A member may file a detailed statement of other public employment in other states or with the United States Government that would be eligible for credit in a State-administered retirement system if the employment was with a public employer in this State, rendered prior to becoming a member, for which the member desires credit, and of such other facts as the retirement system may require. The member may purchase credit for all or a portion of the service evidenced in the statement up to the nearest number of years and months, but not exceeding five years. No application shall be accepted for the purchase of credit for such service if, at the time of application, the member has a vested right to retirement benefits in another retirement system based in whole or in part upon that service.

The member may purchase credit for the service by paying into the annuity savings fund the amount required by applying the factor, supplied by the actuary as being applicable to the member's age at the time of the purchase, to the member's salary at that time, or to the highest annual compensation for service in this State for which contributions were made during any prior fiscal year of membership, whichever is greater. The purchase may be made in regular installments, equal to at least one-half the full normal contribution to the retirement system, over a maximum period of 10 years.

Neither the State nor the employer of a member who applies to purchase credit for public employment with the United States Government pursuant to this section shall be liable for any payment to the retirement system on behalf of the member for the purchase of this credit. Notwithstanding any provision of this act to the contrary, a member shall not be liable for any costs associated with the financing of pension adjustment benefits and health care benefits for retirees when purchasing credit for such public employment in other states or with the United States Government.

Any member electing to purchase the service who retires prior to completing payments as agreed with the retirement system shall receive pro rata credit for service purchased prior to the date of retirement, but if the member so elects at the time of retirement, the member may make the additional lump sum payment required at that time to provide full credit.

2. This act shall take effect immediately.

Approved January 18, 2022.