



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PENSIONS AND BENEFITS
P. O. BOX 295

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PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

ELIZABETH MAHER MUOIO
State Treasurer

JOHN D. MEGARIOTIS
Acting Director

April 5, 2024

Sent via email to: [REDACTED]

Noris Rodriguez-Laguella
[REDACTED]

RE: TPAF # [REDACTED]

FINAL ADMINISTRATIVE DETERMINATION

Dear Ms. Rodriguez-Laguella:

At its meeting on March 7, 2024, the Board of Trustees (Board) of the Teachers' Pension and Annuity Fund (TPAF) considered your appeal of the Board's decision denying your request change your retirement option selection from Option A to the Maximum Option. The Board originally denied your request at its meeting of December 7, 2023. You filed a timely appeal of the Board's decision on January 17, 2024. After careful consideration, the Board affirmed its prior decision, and finding no genuine issue of material fact in dispute, denied your request for an administrative hearing. Thereafter, the Board directed the undersigned to draft a Final Administrative Determination, which was reviewed and approved at its meeting of April 4, 2024.

FINDINGS OF FACT

The record before the Board establishes that on May 3, 2023, you submitted an application for a Service retirement effective July 1, 2023 via your Member Benefits Online System (MBOS) account. You selected Option A and designated [REDACTED] as the pension beneficiary as well as the group life insurance beneficiary.

On June 19, 2023, a Quotation of Retirement Benefits (Quotation) was sent to you at 1212 86th Street North Bergen, NJ 07047-4314. The Quotation provided you with the calculation for your retirement benefit under Option A, with [REDACTED] listed as your beneficiary, and included the calculation for all available retirement options. The Quotation also stated:

Once you retire, you cannot change your payment method option. If you chose payment method options A, B, C, D, 2, 3, 4 under no circumstances can you change your beneficiary selection once you retire, even if your beneficiary dies before you. You have the right to withdraw, cancel, or change your application for retirement at any time before the later of 30 days after your retirement date or 30 days after the Board of Trustees approves your retirement.

At its meeting on July 13, 2023, the Board approved your Service retirement effective July 1, 2023, under Option A. On July 13, 2023, a letter was sent to you, memorializing the Board's decision, and included the following in regards to potential changes in your retirement application:

In accordance with law, you have until thirty days after (A) the effective date of your retirement, or (B) the date your retirement was approved by the Board of Trustees, whichever is the later date, to make any changes to your retirement.

On August 31, 2023, you wrote to the Division requesting that you be permitted to collect the "maximum pension" (Maximum Option). In your letter you assert that you "never intended for anyone to collect" your pension after your passing. You also claimed that the Division's June 19, 2023 letter didn't specifically state which option you selected.

On September 19, 2023, in response to the aforementioned request, an administrative denial letter was issued by Jayne Ehrmann, Supervisor, Retirement Bureau. The denial letter provided that, pursuant to N.J.A.C. 17:3-6.3, your request could not be granted as the 30 day window for option changes had passed. On October 4, 2023, Brian P. Stack, Mayor of Union City filed an appeal on your behalf. Mr. Stack reiterated that you would like to change your pension option since you did not have a beneficiary to receive benefits after your death, and that, while he understood the difficulties associated with this request, the Division should reconsider this matter.

The Board considered your request to change your retirement option at its meeting of December 7, 2023. At the meeting, the Board found that pursuant to N.J.A.C. 17:3-6.2 and N.J.A.C. 17:3-6.3, you had 30 days from the date of the Board's approval, or the effective date of your retirement, whichever is later, to make any changes to your retirement application. Thus, you had until August 12, 2023, to make any changes to your retirement. You did not attempt to make any changes to your retirement until August 31, 2023, which is beyond the 30 days permitted under the regulation. Therefore, the Board affirmed the Division's decision and denied your request to change your retirement option. On January 17, 2024, you filed a timely appeal of the Board's decision and requested that the Board reconsider its decision.

At its meeting on March 7, 2024, the Board considered your appeal, affirmed its prior decision, and finding no genuine issue of material fact in dispute, denied your request for an administrative hearing.

CONCLUSIONS OF LAW

The issue before the Board is whether you are able to change your retirement option. The record establishes that at its meeting on July 13, 2023, the Board approved your Service retirement effective July 1, 2023, under Option A. N.J.A.C. 17:3-6.2 states:

A member's retirement allowance shall not become due and payable until 30 days after the date the Board approved the application for retirement or 30 days after the date of the retirement, whichever is later.

N.J.A.C. 17:3-6.3, states, in pertinent part:

(a) Except as provided by N.J.A.C. 17:3-6.1 and 6.7, a member shall have the right to withdraw, cancel, or change an application for retirement at any time before the member's retirement allowance becomes due and payable by sending a written request signed by the member. Thereafter, the retirement shall stand as approved by the Board.

...

[(Emphasis added).]

As mentioned previously, you had 30 days from the date of the Board's approval, or the effective date of your retirement, whichever is later, to make any changes to your retirement application. As the Board approved your retirement on July 13, 2023 (for a July 1, 2023 effective retirement) by operation of law, you had until August 13, 2023 to change your retirement option. You did not request to make any changes to your retirement until August 31, 2023, which is beyond the 30 days as permitted under the regulation. Prior to Board approval, you were sent a Quotation which indicated your option selection and advised that you have the right to withdraw, cancel, or change your application for retirement at any time before the later of 30 days after your retirement date, or 30 days after the Board approves your retirement. Your Board approval letter similarly advised you of this timeframe.

As noted above, the Board has considered your written submission and all documentation in the record. Because this matter does not entail any disputed questions of fact, the Board was able to reach its findings of fact and conclusions of law on the basis of the retirement system's enabling statutes and without the need for an administrative hearing. Accordingly, this correspondence shall constitute the Final Administrative Determination of the Board of Trustees of the Teachers' Pension and Annuity Fund.

You have the right to appeal this final administrative action to the Superior Court of New Jersey, Appellate Division, within 45 days of the date of this letter in accordance with the Rules Governing the Courts of the State of New Jersey.

All appeals should be directed to:

Superior Court of New Jersey
Appellate Division
Attn: Court Clerk
PO Box 006
Trenton, NJ 08625

Sincerely,

Noris Rodriguez-Lagueta
April 5, 2024
Page 5

A handwritten signature in black ink, appearing to read "Saretta Dudley", enclosed within a thin black rectangular border.

Saretta Dudley, Secretary
Board of Trustees
Teachers' Pension and Annuity Fund

G-4/SD
C: J. Ehrmann (ET)