



Death Benefits for SPRS Members

Information for:
State Police Retirement System (SPRS)

Upon your death as an active or retired member of the State Police Retirement System (SPRS), two benefits are payable: a monthly pension to a specific family member(s) and group life insurance.

The terms used in the explanation of SPRS death benefits are defined as:

Spouse — A person to whom you are legally married until the date of your death. A photocopy of the *Marriage Certificate* is required for verification.

Civil Union Partner — A person of the same sex as defined by P.L. 2006, c. 103 (Chapter 103), with whom you were partnered in a civil union until the date of your death. A photocopy of the *New Jersey Civil Union Certificate*, or a valid certification from another jurisdiction that recognizes same-sex civil unions, is required for verification. See the *Civil Unions and Domestic Partnerships* Fact Sheet for details.

Domestic Partner — A person of the same sex as defined by P.L. 2003, c. 246 (Chapter 246), with whom you were in a domestic partnership until the date of your death. A photocopy of the *New Jersey Certificate of Domestic Partnership* dated prior to February 19, 2007, or a valid certification from another jurisdiction that recognizes same-sex domestic partners, is required for verification. See the *Civil Unions and Domestic Partnerships* Fact Sheet for details.

Child — Your unmarried child:

- Under the age of 18;
- 18 years of age or older and enrolled in high school;

- Any age who, at the time of your death, is disabled because of mental or physical incapacity, and is incapable of substantial gainful employment because of the impairment. This incapacity must last or be expected to last for a continuous period of not less than 12 months as determined by the Medical Review Board; or
- For an Accidental Death Benefit (see the “Accidental Death Benefits” section), a child may also mean an unmarried child under the age of 24 who is enrolled in college in a degree program for at least 12 hours per semester.

Parent — Your parent who was receiving at least 50 percent support from you in the 12 months immediately preceding your death or the accident which led to your death in cases of an Accidental Death Benefit. The dependency of the parent will be considered terminated if he or she remarries after the death of the member.

Final Compensation — For a SPRS Tier 1 member enrolled on or before May 21, 2010, Final Compensation means the salary upon which pension contributions were based in the last 12 months of creditable service preceding your retirement or your death as an active member.

For a SPRS Tier 2 member enrolled after May 21, 2010, Final Compensation means the average salary upon which pension contributions were based for any three fiscal years of membership preceding your retirement or your death as an active member that provides the largest possible benefit.

PAYMENT OF PENSION TO A SURVIVING FAMILY MEMBER

Active Member

Upon your death as an active member, your surviving spouse, civil union partner, or domestic partner is eligible to receive a pension benefit equal to 50 percent of your Final Compensation.

If there is no surviving spouse or partner, the following benefit is payable to your eligible children:

- 50 percent of Final Compensation to three or more eligible children;
- 35 percent of Final Compensation to two eligible children; or
- 20 percent of Final Compensation to one eligible child.

If there is no surviving spouse, partner, or children, a pension is paid to your eligible parents as follows:

- 40 percent of Final Compensation to two parents; or
- 25 percent of Final Compensation to one parent.

If there is no surviving spouse, partner, children, or parent, the employee contributions are paid to your beneficiary.

Retired Member

Upon your death as a retired member, your surviving spouse, civil union partner, or domestic partner is eligible to receive a pension benefit equal to 50 percent of your Final Compensation.

If there is no surviving spouse or partner, the following benefit is payable to your eligible children:

- 50 percent of Final Compensation to three or more eligible children;
- 35 percent of Final Compensation to two eligible children; or
- 20 percent of Final Compensation to one eligible child.

A surviving spouse/partner may continue health coverage through the SHBP as long as he or she was covered by the retiree's plan at the time of death. It will be the survivor's responsibility to pay for the cost of the coverage.

GROUP LIFE INSURANCE BENEFITS

The State pays the cost of your group life insurance coverage. Group life insurance is provided through policies issued by Prudential Group Life Insurance. When you first enroll in the SPRS, you receive an individual certificate from the New Jersey Division of Pensions & Benefits (NJDPB) which you should keep with your important papers.

Active Coverage

If your death occurs in active service before retirement and is not the result of an accident in the performance of your regular or assigned job duties (see the "Accidental Death Benefits" section), your named beneficiary (or estate where there is no named beneficiary) will receive a death benefit equal to 3 1/2 times your Final Compensation. If you die during the first year of creditable service, the benefit will be computed at the annual rate of contribution.

Waiver of Coverage

Life insurance coverage above \$50,000 provided through employment may be subject to federal and State taxes. Members of the SPRS may elect to waive Noncontributory Group Life Insurance benefits in excess of \$50,000. If you waive your group life insurance coverage over \$50,000, your death benefit would be limited to \$50,000.

For more information see the *SPRS Member Guidebook*.

Beneficiaries of Active Members

If you are unsure of your beneficiary designations, you may obtain this information using the Member Benefits Online System (MBOS). You must be registered to use MBOS at: www.nj.gov/treasury/pensions

If you are unable to access MBOS, you can make a request in writing for the names of the beneficiaries on file with the NJDPB. Write to the New Jersey Division of Pensions & Benefits, P.O. Box 295, Trenton, NJ 08625-0295 and be sure to include your name, SPRS membership number or last four digits of your Social Security number, and your signature.

If you wish to change your beneficiary designation, you must do so using MBOS. The new designations will become effective immediately.

Retired Coverage

If you die after retirement, your named beneficiary (or estate where there is no named beneficiary) will receive group life insurance equal to 50 percent of your Final Compensation.

If you retire on a Disability Retirement, the amount will be equal to 3 1/2 times your Final Compensation until age 55, when it will be reduced to 50 percent of your Final Compensation.

Life insurance is in force after retirement only if you retired with 10 or more years of pension membership credit or retired on a Disability Retirement.

Beneficiaries of Retirees

Retirees can access their beneficiary information through MBOS. You can also make a request in writing for the names of the beneficiaries on file. Write to the New Jersey Division of Pensions & Benefits, Beneficiary Services, P.O. Box 295, Trenton, NJ 08625-0295 and be sure to include your name, retirement number or last four digits of your Social Security number, and your signature.

Retired members can change beneficiaries through MBOS, or can submit a *Designation of Beneficiary* form which is available on the NJDPB website or from the Office of Client Services at (609) 292-7524.

Payment of Group Life Insurance

Group life insurance benefits for active members can be paid in one of several ways (group life insurance for retirees must be paid in a lump sum):

- Lump Sum — A single payment to your beneficiary;
- Annuity Certain — Equal installments over a selected period of years; or
- Life Annuity — Paid monthly to your beneficiary for life.

Death benefits cannot be paid until all the necessary information and claim forms have been received from your beneficiary by the NJDPB.

To report a death, contact the Office of Client Services at (609) 292-7524.

Life Insurance on Leave of Absence

Your group life insurance coverage will continue in full force for an official leave of absence without pay under the following conditions:

- Up to two years while on an official leave of absence for personal illness;
- Up to one year while on an official leave to fulfill a residency requirement for an advanced degree,

or as a full-time student at an institution of higher education; or

- Up to 93 days while on an official leave for personal reasons.

A member who has been suspended without pay is covered for group life insurance during the period of suspension.

Conversion of Group Life Insurance

Once your group life insurance as an active employee ends (for retirement, termination, or leave of absence without pay), you have the option to convert your group life insurance coverage to an individual policy with Prudential. See the *Conversion of Group Life Insurance* Fact Sheet for more information.

ACCIDENTAL DEATH BENEFITS

If you die as a result of an accident during the performance of your regular or assigned duties, and your death is not a result of your willful negligence, your survivors are entitled to special Accidental Death benefits. A report of Accidental Death must be filed with the NJDPB within 60 days of the accident. In order for a survivor to claim benefits, an *Application for Accidental Death Benefits* must be filed with the NJDPB within five years of the date of your death.

In the case of Accidental Death, your eligible surviving spouse or partner is paid an annual pension equal to 70 percent of your Final Compensation (or, if appropriate, Adjusted Final Compensation in accordance with N.J.S.A. 53:5A-14), in addition to employer-paid health benefits.

Accidental Death benefits are a lifetime benefit to your surviving spouse or partner, in addition to any group life insurance benefits which may be payable.

If there is no eligible surviving spouse or partner, or your spouse or partner dies, a pension will be paid to your eligible dependent children, in equal shares, in

the amount of 70 percent of your Final Compensation (or Adjusted Final Compensation, if appropriate).

This benefit also applies to your child of any age who is mentally or physically disabled and incapable of gainful employment due to this impairment. This condition must be expected to last for not less than 12 months as determined by the SPRS Medical Review Board.

If there is no eligible surviving spouse, partner, or children, a pension will be paid to an eligible surviving parent as follows:

- 40 percent of Final Compensation to two eligible parents; or
- 25 percent of Final Compensation to one eligible parent.

If a parent remarries, the benefit ceases.

This fact sheet has been produced and distributed by:

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www.nj.gov/treasury/pensions