

P.L. 2019, CHAPTER 305, *approved January 13, 2020*

Senate, No. 1966

1 AN ACT concerning the death benefit of a member in active service
2 of the Police and Firemen's Retirement System and State Police
3 Retirement System, and amending and supplementing P.L.1944,
4 c.255 and P.L.1965, c.89.

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

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9 1. Section 9 of P.L.1944, c.255 (C.43:16A-9) is amended to
10 read as follows:

11 9. (1) Upon the receipt of proper proof of the death of a
12 member in active service on account of which no accidental death
13 benefit is payable under section 10 there shall be paid to such
14 member's widow or widower a pension of 50% of final
15 compensation for the use of himself or herself and children of the
16 deceased member, to continue during his or her widowhood; if there
17 is no surviving widow or widower or in the case the widow or
18 widower dies or remarries, **[20%]** 50% of final compensation
19 **[will]** shall be payable to one surviving child **[, 35% of final**
20 **compensation to two surviving children in equal shares and]** or, if
21 there **[be three]** are two or more children, 50% of final
22 compensation **[will]** shall be payable to such children in equal
23 shares.

24 In the event of death occurring in the first year of creditable
25 service, the benefits, payable pursuant to this subsection, shall be
26 computed at the annual rate of compensation.

27 If there is no widow or widower or child, 25% of final
28 compensation will be payable to one surviving parent or 40% of
29 final compensation will be payable to two surviving parents in
30 equal shares.

31 (2) If there is no widow or widower, child or parent, there shall
32 be paid to any other beneficiary of the deceased member his or her
33 aggregate contributions at the time of death.

34 (3) In no case shall the death benefit provided in subsection (1)
35 be less than that provided under subsection (2).

36 (4) In addition to the foregoing benefits payable under
37 subsection (1) or (2), there shall also be paid in one sum to the
38 member's beneficiary, an amount equal to 3 1/2 times final
39 compensation.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (5) a. For the purposes of this section and **section 10 (5)**
2 paragraph (5) of section 10 of P.L.1944, c.255 (C.43:16A-10), a
3 member of the Police and Firemen's Retirement System shall be
4 deemed to be an active member for a period of no more than 93
5 days while on official leave of absence without pay when such
6 leave is due to any reason other than illness, and for a period of not
7 more than one year in the event of an official leave (a) due to the
8 member's maternity, or (b) to fulfill a residency requirement for an
9 advanced degree, or (c) as a full-time student at an institution of
10 higher education, and (1) while he is disabled due to sickness or
11 injury arising out of or in the course of his employment as a
12 member to whom this act applies, is not engaged in any gainful
13 occupation, and is receiving or entitled to receive periodic benefits
14 (including any commutation of, or substitute for, such benefits) for
15 loss of time on account of such disability under or by reason of
16 workmen's compensation law, occupational disease law or similar
17 legislation and has not retired or terminated his membership; or (2)
18 for a period of no more than two years while on official leave of
19 absence without pay if satisfactory evidence is presented to the
20 retirement system that such leave of absence without pay is due to
21 the member's personal illness other than an illness to which (1)
22 above applies.

23 b. If a member dies within 30 days after the date of retirement
24 or the date of board approval, whichever is later, a death benefit
25 shall be payable only if he is deemed to be an active member in
26 accordance with this section; provided, however, a member
27 applying for disability benefits shall be deemed an active member if
28 he was covered by the death benefit provisions of the act at the
29 termination of employment, filed the application for disability
30 retirement with the retirement system within 30 days following such
31 termination of employment and dies within 30 days after the date of
32 retirement or the date of board approval, whichever is later. If a
33 member files an application for disability retirement while in
34 service and otherwise meets the requirements for disability
35 retirement, but dies before the retirement takes effect, the retirement
36 shall be considered effective.

37 (cf: P.L.1999, c.428, s.5)

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39 2. Section 12 of P.L.1965, c.89 (C.53:5A-12) is amended to
40 read as follows:

41 12. a. Upon the receipt of proper proofs of the death in active
42 service of a member of the retirement system on account of which
43 no accidental death benefit is payable, there shall be paid to the
44 surviving spouse a pension of 50% of final compensation for the
45 use of that spouse and children of the deceased, to continue for so
46 long as the person qualifies as a "surviving spouse" for the
47 purposes of this act; if there is no surviving spouse or in case the
48 spouse dies or remarries, **20%** 50% of final compensation **will**

1 shall be payable to one surviving child **【**, 35% of final
2 compensation to two surviving children in equal shares and**】** or, if
3 there **【be three】** are two or more children, 50% of final
4 compensation **【will】** shall be payable to such children in equal
5 shares.

6 In the event of death occurring in the first year of creditable
7 service, the benefits, payable pursuant to this subsection, shall be
8 computed at the annual rate of compensation.

9 If there is no surviving spouse or child, 25% of final
10 compensation will be payable to one surviving parent or 40% of
11 final compensation will be payable to two surviving parents in
12 equal shares.

13 b. If there is no surviving spouse, child or parent, there shall be
14 paid to any other beneficiary of the deceased member his aggregate
15 contributions at the time of death.

16 c. In no case shall the death benefit provided in subsection a.
17 be less than that provided under subsection b.

18 d. In addition to the foregoing benefits payable under
19 subsection a. or b., there shall also be paid in one sum to the
20 member's beneficiary, an amount equal to 3 1/2 times final
21 compensation.

22 e. (Deleted by amendment. P.L. 1971, c. 181.)

23 f. (Deleted by amendment. P.L. 1971, c. 181.)

24 (cf: P.L.1985, c.355, s.2)

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26 3. (New section) The adjustment in the benefit to a surviving
27 child or children made pursuant to the amendment of section 9 of
28 P.L.1944, c.255 (C.43:16A-9) by P.L. , c. (pending before the
29 Legislature as this bill) shall apply to a benefit entitlement initially
30 granted on or after January 1, 2017, and, if granted on or after that
31 date but before the effective date of P.L. , c. (pending before the
32 Legislature as this bill), still in effect on that effective date. The
33 adjustment in the benefit to a surviving child or children pursuant to
34 the amendment of section 9 of P.L.1944, c.255 (C.43:16A-9) by
35 P.L. , c. (pending before the Legislature as this bill) shall apply
36 only for benefit payments made after the effective date of P.L. , c.
37 (pending before the Legislature as this bill). No surviving child of a
38 deceased member of the retirement system shall be granted a
39 retroactive payment based upon the difference between the benefit
40 the person would have received if the adjustment made pursuant to
41 the amendment of section 9 of P.L.1944, c.255 (C.43:16A-9) by
42 P.L. , c. (pending before the Legislature as this bill) had been
43 applicable at the date of entitlement and the benefit that the
44 surviving child has received from the date of entitlement to the
45 effective date of P.L. , c. (pending before the Legislature as this
46 bill).

1 4. (New section) The adjustment in the benefit to a surviving
2 child or children made pursuant to the amendment of section 12 of
3 P.L.1965, c.89 (C.53:5A-12) by P.L. , c. (pending before the
4 Legislature as this bill) shall apply to a benefit entitlement initially
5 granted on or after January 1, 2017, and, if granted on or after that
6 date but before the effective date of P.L. , c. (pending before the
7 Legislature as this bill), still in effect on that effective date. The
8 adjustment in the benefit to a surviving child or children pursuant to
9 the amendment of section 12 of P.L.1965, c.89 (C.53:5A-12) by
10 P.L. , c. (pending before the Legislature as this bill) shall apply
11 only for benefit payments made after the effective date of P.L. ,
12 c. (pending before the Legislature as this bill). No surviving child
13 of a deceased member of the retirement system shall be granted a
14 retroactive payment based upon the difference between the benefit
15 the person would have received if the adjustment made pursuant to
16 the amendment of section 12 of P.L.1965, c.89 (C.53:5A-12) by
17 P.L. , c. (pending before the Legislature as this bill) had been
18 applicable at the date of entitlement and the benefit that the
19 surviving child has received from the date of entitlement to the
20 effective date of P.L. , c. (pending before the Legislature as this
21 bill).

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23 5. This act shall take effect immediately.

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STATEMENT

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28 This bill increases the benefit payable to the surviving child or
29 children of a member of the Police and Firemen's Retirement
30 System (PFRS) or State Police Retirement System (SPRS), when
31 the member dies in active service and no accidental death benefit is
32 payable, to 50 percent of final compensation.

33 Under current law, if a member of PFRS or SPRS dies in active
34 service and no accidental death benefit is payable, then the
35 member's widow or widower receives a pension of 50 percent of
36 the member's final compensation. If there is no widow or widower
37 or if the widow or widower dies, 20 percent of that compensation is
38 paid annually to one surviving child, 35 percent to two surviving
39 children in equal shares, and 50 percent to three or more children in
40 equal shares. The bill amends current law to provide that if a
41 member of PFRS or SPRS dies in active service, no accidental
42 death benefit is payable, and there is no surviving spouse, then 50
43 percent of the deceased member's final compensation is to be paid
44 to the member's surviving child or surviving children in equal
45 shares.

46 The bill provides for the change in the percentage of the benefit
47 paid to a surviving child or children under PFRS and SPRS to apply
48 to benefits initially granted on or after January 1, 2017. The bill

S1966

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1 provides for the increase in the percentage of the benefit to be paid
2 prospectively. The bill prohibits retroactive payments from being
3 made.

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8 Increases death benefit of active member of PFRS and SPRS to
9 50 percent of final compensation for surviving child or children.