

[First Reprint]

ASSEMBLY, No. 4751

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED SEPTEMBER 19, 2024

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SYNOPSIS

Permits purchase of service credit in SPRS for period of enrollment in military service academy and in New Jersey State Police Academy, and employment as class two special law enforcement officer.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on March 17, 2025, with amendments.

(Sponsorship Updated As Of: 3/24/2025)

1 AN ACT concerning the purchase of service credit in the State
 2 Police Retirement System for certain military and police service
 3 and amending P.L.1965, c.89 and P.L.2013, c.87.

4
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*

7
 8 1. Section 6 of P.L.1965, c.89 (C.53:5A-6) is amended to read
 9 as follows:

10 6. a. Service as a full-time commissioned officer,
 11 noncommissioned officer or trooper rendered as a member, and
 12 service credit which was transferred from the former "State Police
 13 Retirement and Benevolent Fund," or transferred from any other
 14 State-administered retirement system, shall, if the required
 15 contributions are made by the State and the member, be considered
 16 as creditable service. If such transferred service credit is
 17 established, it shall be considered the same as creditable service as
 18 a full-time commissioned officer, noncommissioned officer or
 19 trooper rendered as a member.

20 In addition, service as a chief inspector, deputy chief inspector,
 21 inspector and special inspector in the Motor Vehicle Commission or
 22 equivalent Civil Service classifications, including Chief, Highway
 23 Patrol Bureau; Assistant Chief (Major), Highway Patrol Bureau;
 24 Captain, Highway Patrol Bureau; Lieutenant, Highway Patrol
 25 Bureau; Sergeant, Highway Patrol Bureau; and Officer, Highway
 26 Patrol Bureau, and service credit may be transferred from the Police
 27 and Firemen's Retirement System, the Public Employees'
 28 Retirement System, or any other State-administered retirement
 29 system and shall, if the required contributions are made by the State
 30 and the member, be considered as creditable service.

31 In addition, service as a member of the State Capitol Police
 32 Force, or as a Supervising Inspector, Principal Inspector, Senior
 33 Inspector, or Inspector Recruit in the Alcoholic Beverage Control
 34 Enforcement Bureau or as a Principal Marine Law Enforcement
 35 Officer, Senior Marine Law Enforcement Officer, or Marine Law
 36 Enforcement Officer in the Bureau of Marine Law Enforcement and
 37 service credit transferred from the Police and Firemen's Retirement
 38 System, the Public Employees' Retirement System, or any other
 39 State-administered retirement system shall, if the required
 40 contributions are made by the State and the member, be considered
 41 as creditable service.

42 A member on suspension shall be considered in service for the
 43 period of the suspension, but the period of suspension shall not be
 44 considered as creditable service unless the member receives salary
 45 therefor.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted March 17, 2025.

1 b. Any member of the retirement system, who, prior to
2 becoming a member, had established service credits in this or
3 another retirement system supported in whole or in part by the
4 State, or who had rendered service to the State prior to becoming a
5 member, or had purchased service credits while in another State-
6 administered retirement system or in the Police and Firemen's
7 Retirement System or the Public Employees' Retirement System,
8 while serving as chief inspector, deputy chief inspector, inspector or
9 special inspector in the Enforcement Bureau, Motor Vehicle
10 Commission, or as a member of the State Capitol Police Force, or
11 as a Supervising Inspector, Principal Inspector, Senior Inspector,
12 Inspector, or Inspector Recruit in the Alcoholic Beverage Control
13 Enforcement Bureau, or as a Principal Marine Law Enforcement
14 Officer, Senior Marine Law Enforcement Officer, or Marine Law
15 Enforcement Officer in the Bureau of Marine Law Enforcement, for
16 which the member desires to establish credit in this retirement
17 system, shall be permitted to purchase such credit, or to transfer
18 such previously purchased credit, by paying into the annuity
19 savings fund the amount required by applying the factor, supplied
20 by the actuary, as being applicable to the member's age at the time
21 of the transfer or purchase, to the member's salary at that time. Such
22 payment may be made in regular installments equal to at least half
23 of the normal contribution to the retirement system, over a
24 maximum period of 10 years. If such purchased service credit or
25 transferred purchased credit is established, it shall be considered the
26 same as creditable service as a full-time commissioned officer,
27 noncommissioned officer, or trooper rendered as a member.

28 A member who retires prior to completing the payments as
29 agreed with the retirement system will receive pro rata credit for
30 service purchased prior to the date of retirement, but if the member
31 so elects at the time of retirement, the member may make the
32 additional lump sum payment required at that time to provide full
33 credit; except that in the case of retirement pursuant to any section
34 of P.L.1965, c.89 (C.53:5A-1 et seq.) other than sections 8, 27, and
35 28 thereof, if an employee's membership has been terminated and
36 the member is re-enrolled as a member of the retirement system, the
37 member shall be accorded, upon the completion of one year of
38 membership after the member's election to make the purchase and
39 the payment of at least half the total amount due, the pension credit
40 as it was at the time of the member's termination.

41 c. Not more than one year shall be credited for all service in a
42 calendar year.

43 d. In computing service, time during which a member was
44 absent on an official leave without pay shall be credited if such
45 leave was for a period of: (1) less than three months; or (2) up to a
46 maximum of two years, if the leave was due to the member's
47 personal illness and the period of leave is allowed for retirement

1 purposes within one year following his return to service after the
2 termination of such leave.

3 e. The method of computation and the terms of the purchase of
4 service permitted by subsections b. and d. of this section shall be
5 identical to those stipulated for the purchase of previous
6 membership service by members of the system, as provided by
7 subsection a. of this section.

8 f. For any person who becomes a member of the retirement
9 system pursuant to P.L.1997, c.19 (C.53:1-8.2 et al.) and is required
10 to retire pursuant to section 8 of P.L.1965, c.89 (C.53:5A-8) with
11 less than 20 years of creditable service in the retirement system, and
12 who retires prior to the effective date of P.L.2019, c.251, an amount
13 of service credit transferred or purchased pursuant to subsection b.
14 which when added to the amount of creditable service in the
15 retirement system equals 20 years shall be considered creditable
16 service in the retirement system. Transferred or purchased service
17 credit in excess of the amount necessary to provide 20 years of
18 creditable service in the retirement system shall be included in the
19 computation of a retirement allowance on the basis of one percent
20 of final compensation for each year of such service credit.

21 g. In the case of a member for whom compensation is defined
22 in paragraph (2) of subsection u. of section 3 of P.L.1965, c.89
23 (C.53:5A-3), the retirement system shall credit the member with the
24 time of all service rendered by the member during the part of any
25 year that the member was a participant of the Defined Contribution
26 Retirement Program, pursuant to paragraph (5) of subsection a. of
27 section 2 of P.L.2007, c.92 (C.43:15C-2) as amended by section 7
28 of P.L.2010, c.1, and making contributions to that program.

29 h. Any member of the retirement system who, prior to
30 becoming a member, graduated from the New Jersey State Police
31 Academy or was employed as a class two special law enforcement
32 officer with a public employer in this State, or both, and desires
33 credit for such academy time or employment, or both, shall be
34 eligible to purchase credit for all or a portion of the service
35 rendered while enrolled in the New Jersey State Police Academy or
36 employed as a class two special law enforcement officer, or both¹;
37 provided, however, that credit for service rendered while enrolled in
38 the New Jersey State Police Academy shall only be eligible for
39 purchase if such service led directly to enrollment in the system¹. If
40 such credit is established, it shall be considered the same as
41 creditable service as a full-time commissioned officer,
42 noncommissioned officer, or trooper rendered as a member. The
43 member may purchase credit for the service by paying into the
44 annuity savings fund the amount required by applying the factor,
45 supplied by the actuary as being applicable to the member's age at
46 the time of purchase, to the member's salary at the time, or to the
47 highest annual compensation for service in this State for which
48 contributions were made during any prior fiscal year of

1 membership, whichever is greater. The purchase may be made in
2 regular installments, equal to at least 1/2 of the full normal
3 contribution to the retirement system, over a maximum period of 10
4 years.

5 Purchase of credit for service as a class two special law
6 enforcement officer shall be permitted only if the break between
7 service as such an officer and the date of enrollment in the State
8 Police Retirement System is less than 365 days. ¹A period of
9 service as a class two special law enforcement officer shall only be
10 eligible for purchase if it meets one of the following criteria: (1)
11 one year of service, wherein a 12-month employee is required to
12 have worked an average of 10 days per month and an aggregate of
13 120 days per year; or (2) service for a period of less than one year,
14 provided that the member works a minimum average of 10 days per
15 month for each month of service.¹

16 Any member electing to make a purchase pursuant to this section
17 who retires prior to completing payments as agreed with the
18 retirement system will receive a pro rata credit for the service
19 purchased prior to the date of retirement, but if the member so
20 elects at the time of retirement, the member may make the
21 additional lump sum payment required at that time to provide full
22 credit.

23 (cf: P.L.2019, c.251, s.1)

24
25 2. Section 2 of P.L.2013, c.87 (C.53:5A-6.1) is amended to read
26 as follows:

27 2. A member may file a detailed statement of military service
28 in the Armed Forces of the United States, including any period of
29 enrollment in a military service academy ¹that resulted in
30 attainment of a baccalaureate degree from the military service
31 academy¹, rendered prior to becoming a member, for which the
32 member desires credit, and of such other facts as the retirement
33 system may require. The member may purchase credit for all or a
34 portion of the service evidenced in the statement up to the nearest
35 number of years and months, but not exceeding 10 years, provided
36 however, that a member purchasing that maximum credit may
37 purchase up to five additional years for additional military service
38 qualifying the member as a veteran as defined in section 3 of
39 P.L.1965, c.89 (C.53:5A-3). If such credit is established, it shall be
40 considered the same as creditable service as a full-time
41 commissioned officer, noncommissioned officer or trooper rendered
42 as a member. No application shall be accepted for the purchase of
43 credit for the service if, at the time of application, the member has a
44 vested right to retirement benefits in another retirement system
45 based in whole or in part upon that service. The member may
46 purchase credit for the service by paying into the annuity savings
47 fund the amount required by applying the factor, supplied by the
48 actuary as being applicable to the member's age at the time of the

1 purchase, to the member's salary at that time, or to the highest
2 annual compensation for service in this State for which
3 contributions were made during any prior fiscal year of
4 membership, whichever is greater. The purchase may be made in
5 regular installments, equal to at least 1/2 of the full normal
6 contribution to the retirement system, over a maximum period of 10
7 years.

8 The employer of a member who applies, pursuant to this section,
9 to purchase credit for military service in the Armed Forces of the
10 United States, including any period of enrollment in a military
11 service academy ¹that resulted in attainment of a baccalaureate
12 degree from the military service academy¹, shall not be liable for
13 any payment to the retirement system on behalf of the member for
14 the purchase of this credit. The Adjutant General of the Department
15 of Military and Veterans' Affairs shall be responsible for
16 determining whether any person seeking to be considered a
17 "veteran" under section 3 of P.L.1965, c.89 (C.53:5A-3), for the
18 purpose of purchasing military service credit, meets the criteria set
19 forth therein and adjudicating an appeal from any person disputing
20 this determination. The determination of the Adjutant General shall
21 be binding upon the Division of Pensions and Benefits.

22 Notwithstanding any provision of this act to the contrary, a
23 member shall not be liable for any costs associated with the
24 financing of pension adjustment benefits and health care benefits
25 for retirees when purchasing credit for military service in the
26 Armed Forces of the United States, including any period of
27 enrollment in a military service academy ¹that resulted in
28 attainment of a baccalaureate degree from the military service
29 academy¹.

30 Any member electing to make a purchase pursuant to this section
31 who retires prior to completing payments as agreed with the
32 retirement system will receive pro rata credit for the purchase prior
33 to the date of retirement, but if the member so elects at the time of
34 retirement, the member may make the additional lump sum payment
35 required at that time to provide full credit.

36 As used in this section, "military service academy" means the
37 United States Military Academy, the United States Naval Academy,
38 the United States Air Force Academy, and the United States Coast
39 Guard Academy.

40 (cf: P.L.2013, c.87, s.2)

41

42 3. This act shall take effect immediately.