

3. Games traditionally played on social networks that may require a payment for certain game features (social games) [shall not] **may** be fundable or accessible from a patron’s Internet gaming account **provided that the operator provides a clear and conspicuous notice on the initial screen of any social game and in its terms and conditions that such social games are not regulated by the Division.**

(t)-(y) (No change.)

**(a)**

**DIVISION OF GAMING ENFORCEMENT  
Internet and Mobile Gaming  
System Standards and Operational Controls  
Proposed Amendment: N.J.A.C. 13:69O-1.4**

Authorized By: David Rebeck, Director, Division of Gaming Enforcement.  
Authority: N.J.S.A. 5:12-69.a, 69.e, 70.a and b, 76, 95.17, 95.25, and 100.b and h.  
Calendar Reference: See Summary below for explanation of exception to calendar requirement.  
Proposal Number: PRN 2015-163.

Submit written comments by February 5, 2016, to:  
Robert A. Moncrief Jr., Deputy Attorney General  
Division of Gaming Enforcement  
1300 Atlantic Ave. – 4th Floor  
Atlantic City, NJ 08401  
Or electronically at: [rulecomments@njdge.org](mailto:rulecomments@njdge.org)

The agency proposal follows:

**Summary**

Currently, pursuant to N.J.A.C. 13:69O-1.4, Internet or mobile gaming system standards and operational controls, Internet or mobile gaming systems shall utilize sufficient security measures in order to ensure secure communications between a client terminal and the Internet or mobile gaming systems, and to protect the patron’s accounts by employing mechanisms to suspend accounts and establish responsible gaming limits.

Proposed new N.J.A.C. 13:69O-1.4(u) sets forth additional measures to allow Internet gaming operators to utilize celebrity or other players to participate in peer to peer games for advertising or publicity purposes, and allows such players to have their accounts funded in whole or in part by an Internet gaming operator. Internet gaming operators may pay a fee to the celebrity players. If an Internet gaming operator employs a celebrity player and does not permit the celebrity player to retain the winnings generated, the Internet gaming operator shall include those winnings as Internet gaming gross revenue in a manner approved by the Division.

This notice of proposal is not required to be referenced in a rulemaking calendar since a public comment period of 60 days is being provided. See N.J.A.C. 1:30-3.3(a)5.

**Social Impact**

The proposed amendment may have a social impact in that an Internet and mobile gaming site may have more funds to hire celebrity players, and therefore that site may generate more Internet traffic and may be more desirable to patrons.

**Economic Impact**

The proposed amendment may have the effect of increasing revenue generated by casino licensees.

**Federal Standards Statement**

A Federal standards analysis is not required because the proposed amendment is authorized by the provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., and is not subject to Federal law.

**Jobs Impact**

The proposed amendment will not have any impact on the number of jobs in the State of New Jersey.

**Agriculture Industry Impact**

The proposed amendment will have no impact on agriculture in New Jersey.

**Regulatory Flexibility Statement**

The proposed amendment will primarily affect the operations of New Jersey casino licensees, none of which qualifies as a “small business” as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., because they employ more than 100 persons full-time in the State of New Jersey. Accordingly, a regulatory flexibility analysis is not required.

**Housing Affordability Impact Analysis**

The proposed amendment will have no impact on the affordability of housing in the State of New Jersey because it affects the regulation of casinos in Atlantic City.

**Smart Growth Development Impact Analysis**

The proposed amendment will have no impact on housing production in Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan because it affects the regulation of casinos in Atlantic City.

**Full text** of the proposal follows (addition indicated in boldface **thus**):

13:69O-1.4 Internet or mobile gaming system standards and operational controls

(a)-(t) (No change.)

**(u) Internet gaming operators may utilize celebrity or other players to participate in peer to peer games for advertising or publicity purposes. Such players may have their accounts funded in whole or in part by an Internet gaming operator. An Internet gaming operator may pay a fee to the celebrity player. If a celebrity player is utilized and the celebrity player generates winnings that the Internet gaming operator does not permit the celebrity player to retain, such winnings shall be included as Internet gaming gross revenue in a manner approved by the Division.**

TREASURY — GENERAL

**(b)**

**DIVISION OF PENSIONS AND BENEFITS  
JUDICIAL RETIREMENT SYSTEM  
Judicial Retirement System**

**Proposed Readoption with Amendments: N.J.A.C. 17:10**

**Proposed Repeals and New Rules: N.J.A.C. 17:10-5.2 and 5.5**

Authorized By: Judicial Retirement System, Henry Matwiejewicz, Acting Secretary.

Authority: N.J.S.A. 43:6A-29.d.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2015-155.

Submit comments by February 5, 2016, to:

Susanne Culliton  
Administrative Practice Officer  
Division of Pensions and Benefits  
PO Box 295  
Trenton, NJ 08625-0295  
[DPB.Regulations@treas.nj.gov](mailto:DPB.Regulations@treas.nj.gov)

The agency proposal follows:

**Summary**

The Division of Pensions and Benefits (Division) proposes to readopt the current rules within N.J.A.C. 17:10, which expire on December 17, 2015, pursuant to N.J.S.A. 52:14B-5.1. As the Division has filed this notice of rules proposed for readoption prior to December 17, 2015, that date is extended 180 days to June 14, 2016, pursuant to N.J.S.A. 52:14B-

5.1.c(2). The Division proposes a number of amendments, which are needed to bring N.J.A.C. 17:10 in line with current procedures and practices. The rules proposed for readoption with amendments govern the administration, enrollment, membership, retirement, transfers, service credit purchases, and death benefits within the Judicial Retirement System (JRS). They also reflect the eligibility requirements and benefits that are mandated by current statutes governing the Judicial Retirement System.

#### SUBCHAPTER 1. ADMINISTRATION

Existing N.J.A.C. 17:10-1.4(b) consists of three compound predicates that are not joined properly. The word “and” needs to be inserted between the words “retirement” and “resignation” and removed after “resignation” and semicolons are necessary after the words, “resignation” and “members,” so that the sentence structure of N.J.A.C. 17:10-1.4(b) is correct.

N.J.A.C. 17:10-1.8(a) is proposed for amendment to reflect current procedures and practices of the Division. Subsection (a) presently allows members to submit any of the following documents to establish proof of age: birth or baptismal certificates, passports, naturalization papers, Biblical records, affidavits of older members of the immediate family, or primary school records. The proposed amendment would modify the list of acceptable proof-of-age documents to include birth certificates with visible seal, passports, U.S. Passport Cards, military records indicating a member’s age, naturalization and immigration papers, digital non-driver identification cards from the New Jersey Motor Vehicle Commission (MVC), and valid New Jersey, Pennsylvania, and New York digital driver licenses. Affidavits of older members of a member’s immediate family, Biblical records, baptismal certificates, and school records will no longer be accepted as proof-of-age evidence for members and beneficiaries, as they provide less reliable date-of-birth evidence. Since proof of age is required for disbursement of retirement benefits and death claim settlements for the JRS, the proposed amendment is necessary to expedite processing and payment of retirement benefits and death claims for JRS members and their beneficiaries.

#### SUBCHAPTER 2. ENROLLMENT AND PURCHASES

N.J.A.C. 17:10-2.1, Enrollment date, is proposed for amendment, so that it identifies the specific courts and judges that require JRS membership as of the date of taking the oath of office. Instead of arbitrarily stating that “a new appointee to the several courts shall be considered as beginning membership in the Judicial Retirement System ...” it will now specify that the Chief Justice and associate justices of the State Supreme Court, and all judges of the Superior Court and tax courts of the State of New Jersey are required to become members of the Judicial Retirement System as a condition of employment, pursuant to the definition of “Member” provided in N.J.S.A. 43:6A-3.

#### SUBCHAPTER 3. INSURANCE AND DEATH BENEFITS

In Subchapter 3, Insurance and Death Benefits, N.J.A.C. 17:10-3.4, Survivor benefits, is to be modified through the addition to subsection (b), which will specify that unused member contributions shall be returned to the member’s estate, in cases where the member dies and there is no surviving spouse/partner, child(ren), or parent(s) for the statutory death benefit, and the member has not designated any other beneficiaries for unused member contributions or for the voluntary pension option, which would otherwise provide a monthly pension benefit to a named beneficiary.

#### SUBCHAPTER 4. MEMBERSHIP

Amendments to N.J.A.C. 17:10-4.1, Creditable salary, are proposed, so that the section defines compensation and specifies the types of payment and salary that may not be included as compensation or creditable salary, pursuant to N.J.S.A. 43:6A-3f. In addition, each unacceptable form of compensation or creditable salary is listed as a separate paragraph, to enhance the section’s readability.

At N.J.A.C. 17:10-4.5, Eligible credit, the section heading is proposed for amendment to “Purchasing eligible service credit,” as this more accurately describes the content of this section. In addition, the first sentence is proposed to be codified as subsection (a) and amended to indicate that only “former” public service in New Jersey may be

purchased for “service credit. Further, a new final sentence is proposed to state that former non-judicial service time will be calculated pursuant to N.J.S.A. 43:6A-14.2.a. These amendments are needed because non-judicial service credit purchases are not credited as JRS service. New subsection (b) is proposed, as members who serve in the military after their JRS enrollment may purchase such military service occurring after October 13, 1994, in accordance with the requirements of the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and N.J.A.C. 17:1-3.10.

N.J.A.C. 17:10-4.8, Minimum adjustment, is proposed for amendment, so that it stipulates that no refunds (rather than “rebates”) or additional contributions will be made for amounts of \$50.00 or less (rather than \$10.00). These changes reflect Division procedures and practices that are currently in place.

N.J.A.C. 17:10-4.10, Eligibility for loan, is proposed for amendment, so that the rule governing loans is more comprehensive and reflects adherence to current Internal Revenue Code. The existing rule text is being codified as subsection (a), since new subsections (b) and (c) are proposed. In addition, newly codified subsection (a) will specify that JRS loans are subject to § 72(p) (2007) of the Internal Revenue Code. Proposed new subsection (b) is added to stipulate how the loan interest rate and administrative fee are to be established, in accordance with N.J.S.A. 43:6A-34.3. Finally, proposed new subsection (c) is added to articulate that all other statutes and rules governing pension loans, including N.J.S.A. 43:6A-34.4, Repayment of loans after retirement of members of JRS, and N.J.A.C. 17:1-1.9, Bankruptcy; subsequent loans, also apply.

#### SUBCHAPTER 5. RETIREMENT

N.J.A.C. 17:10-5.1(a)2 stipulates how retirement application deficiencies are to be handled. The phrase “within 90 days” is to be added to this paragraph, in order to put a specific time frame on the submittal of missing retirement application information. The purpose of the proposed addition is to increase operational efficiency and help prevent extensive retirement processing delays.

N.J.A.C. 17:10-5.2, Effective date, is proposed for repeal and replacement to reflect the actual procedures and practices that are followed regarding the effective date of a JRS retirement. Under the existing rule, a retirement is effective upon the earlier of the certified date of the application, the postmark, or the actual date of receipt by the JRS. Under the proposed new rule, a retirement is due and payable 30 days after approved by the State House Commission or 30 days after the date of retirement, whichever is later.

N.J.A.C. 17:10-5.5, Death prior to effective date, is proposed for repeal and replacement. The new section heading is proposed as “Benefits payable when a member dies with a retirement application pending,” so that it more accurately reflects the intent of this section. In addition, the section is to be revised so that it specifies how a retirement application is to be processed when a member dies while his or her retirement is pending. Pursuant to N.J.S.A. 43:6A-16.1, the person designated as the beneficiary of an optional settlement on the member’s pending retirement application will be able to request that the retirement and the optional settlement selected by the member become effective. The surviving beneficiary must request in writing that the State House Commission approve the retirement. If the deceased member failed to select an optional settlement, the State House Commission shall grant an Option 3 settlement. The existing rule, proposed for repeal, stated that if the member died prior to the first payment being due and payable, he or she was considered an active member.

N.J.A.C. 17:10-5.7(b), concerning cases in which the court (employer) has initiated an involuntary disability retirement for a JRS member, is proposed for amendment. Instead of stating that the member will be given “appropriate time” to supplement the medical and documentary evidence submitted by the court, a specific time frame of six months is proposed. The purpose of this change is to enhance efficient administration of the JRS by expediting processing times for employer-initiated involuntary disability retirements. In addition, a new final sentence is added to give members the opportunity to request additional time to provide supplementary evidence on their own behalf.

N.J.A.C. 17:10-5.8, Early retirement defined, is proposed for amendment, as N.J.S.A. 43:6A-10 defines an early retirement as occurring when a member has 25 years of service and retires before reaching age 60. Existing N.J.A.C. 17:10-5.8 incorrectly states that retirement on the first of the month in which a member attains age 60 shall be classed as an “early” retirement.

N.J.A.C. 17:10-5.9, Service retirement; eligibility, is proposed for amendment, so that it correctly reflects the service retirement options that are available to eligible JRS members at retirement, based on the number of years of JRS service and other service that a member has, pursuant to N.J.S.A. 43:6A-8 and 9. Existing rules only reference the available service retirement option available when a member attains the age of 60; however, other options are also available to members, so the age reference is proposed to be removed.

#### SUBCHAPTER 6. TRANSFERS

Proposed new N.J.A.C. 17:10-6.1(b) is proposed to specify that New Jersey public service that has been rendered dishonorable by the Board or Commission of one retirement system may not be transferred to or purchased for credit in another State-administered retirement system.

Recodified N.J.A.C. 17:10-6.1(d)1 is proposed for amendment to reflect the correct form name used for interfund transfers, “Application for Interfund Transfer,” which replaces “application for ‘Transfer of Membership Credit.’” In addition, a specific time frame is proposed for the submittal of the Application for Interfund Transfer. Members will be given 90 days from the date of their appointment to submit this form. Adding a specific time frame for this action will increase administrative efficiency in the area of transfers into the JRS.

Members, participating employers, retirees, and survivors of retirees rely on the efficient operation of the retirement system to administer retirement benefits and to provide information regarding individual accounts. They rely upon the presence and predictability of the rules that guide the administration of benefits and the stability of the System. The protections and guarantees that the proposed readopted rules and amendments afford JRS members mandate their continued existence.

As the Division has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

#### Social Impact

The rules proposed for readoption with amendments, new rules, and repeals are proposed to govern the Judicial Retirement System and benefit the members, retirees, and beneficiaries of the JRS in a number of ways. Some of the proposed changes are intended to enhance operational efficiency. Specifically, amendments to N.J.A.C. 17:10-1.8 (pertaining to acceptable forms of proof-of-age evidence), 5.1(a)2 (providing a specific time frame for correcting retirement application deficiencies), 5.7 (providing a time frame for submitting medical documentation for involuntary disability retirements), and 6.1(c)1 (providing a time frame for submitting interfund transfer applications) will serve to expedite processing times for retirements, death claims, and transfers. In addition, several of the proposed amendments are needed to reflect current practices and procedures, such as the revisions to the minimum adjustment section at N.J.A.C. 17:10-4.8, where the minimum adjustment will occur for amounts exceeding \$50.00, instead of \$10.00. Finally, a few of the proposed amendments are needed to ensure that the JRS rules conform to statute or Internal Revenue Code, such as the amendments to N.J.A.C. 17:10-4.10, Eligibility for loan, and 5.8, Early retirement defined.

Members, retirees, and survivors of retirees rely on the efficient operation of the JRS to provide them with monthly retirement benefits and with the information they need regarding their individual accounts. They rely upon the presence and predictability of such rules to guide the administration of their benefits and maintain the stability of the JRS. The protections and guarantees that the rules proposed for readoption with amendments, new rules, and repeals afford JRS members mandate their continued existence. The taxpaying public is also affected by rules proposed for readoption with amendments, new rules, and repeals, since public monies are used to fund the benefits provided. For this reason, taxpayers also benefit from the proper and efficient administration of the

JRS, which the rules proposed for readoption with amendments, new rules, and repeals require.

#### Economic Impact

The rules proposed for readoption with amendments, new rules, and repeals will continue existing, long-standing, regulatory requirements, while the proposed amendments, repeals, and new rules will serve to preserve and enhance the efficient administration and operation of the Judicial Retirement System. Revisions to N.J.A.C. 17:10-1.8 (pertaining to acceptable forms of proof-of-age evidence), 5.1(a)2 (providing a specific time frame for correcting retirement application deficiencies), 5.7 (providing a time frame for submitting medical documentation for involuntary disability retirements), and 6.1(c)1 (providing a time frame for submitting interfund transfer applications) will serve to expedite processing times for retirements, death claims, and transfers. This will allow the Division to use its available manpower and resources to complete other tasks, which will bring greater economic efficiency. Furthermore, the rules proposed for readoption with amendments, new rules, and repeals will enable the Division of Pensions and Benefits to continue to provide benefits in a manner that meets statutory and contractual requirements, while also adhering to Federal Internal Revenue Code regulations.

The current procedures set forth in N.J.A.C. 17:10 have proven to be effective in the proper administration of the Judicial Retirement System, and the proposed amendments, repeals, and new rules will bring greater efficiency to the System by supporting and enhancing current practices that guide in the administration of the JRS. The Division of Pensions and Benefits will continue to monitor the impact of these rules, while also reviewing any new legislation passed that may also impact the JRS. The Division is not aware of any provisions in the rules proposed for readoption with amendments, new rules, and repeals that would impose any hardship or costs on the members of the Judicial Retirement System or on the public in general.

#### Federal Standards Statement

Other than compliance with § 72(p) (2007) of the Internal Revenue Code, the rules proposed for readoption with amendments, new rules, and repeals meet the applicable Federal standards, that is, 26 U.S.C. §§ 403(b). There are no other Federal standards applicable to the subject matter of these rules.

#### Jobs Impact

Implementation of the rules proposed for readoption with amendments, new rules, and repeals will not result in the generation or loss of jobs. The Division invites any interested parties to submit any data or studies concerning the jobs impact of the proposed amendments, new rules, and repeals with their written comments.

#### Agriculture Industry Impact

The rules proposed for readoption with amendments, new rules, and repeals will not have any impact on the agriculture industry.

#### Regulatory Flexibility Statement

The rules of the JRS affect members, retirees, and survivors of the JRS. Thus, the rules proposed for readoption with amendments, new rules, and repeals do not impose any reporting, recordkeeping, or other compliance requirements upon small businesses, as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. Therefore, a regulatory flexibility analysis is not required.

#### Housing Affordability Impact Analysis

The rules proposed for readoption with amendments, new rules, and repeals will have no impact on the affordability of housing in New Jersey, nor will they evoke a change in the average costs associated with housing, because the rules pertain to administration of the JRS for members, retirees, and survivors of members and retirees.

#### Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments, new rules, and repeals will not have any impact on the achievement of smart growth; nor will they evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and

Redevelopment Plan, because the rules pertain to administration of the JRS for members, retirees, and survivors of members and retirees.

**Full text** of the rules proposed for re-adoption may be found in the New Jersey Administrative Code at N.J.A.C. 17:10.

**Full text** of the rules proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 17:10-5.2 and 5.5.

**Full text** of the proposed amendments and new rules follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

#### SUBCHAPTER 1. ADMINISTRATION

##### 17:10-1.4 Certifying officer

(a) (No change.)

(b) The prime purpose of the certifying officer will be to certify facts of enrollment, retirement, **and** resignation; [and] to implement proper procedures for the reports concerning members; and to act as liaison for all dealings between the courts and the retirement system.

##### 17:10-1.8 Proof of age

(a) As most members are appointed at a later age in [this] **the Judicial Retirement System (System)**, all members shall be required to establish proof of their age with the System at the time of their enrollment in the System. If a member is transferring to the Judicial Retirement System from another State-administered retirement system where proof of age was secured, no additional proof of age will be requested. Acceptable proofs of age include birth [or baptismal] certificates **with visible seal**, passports, U.S. **passport cards**, naturalization **or immigration** papers, [Biblical records, affidavits of older members of the immediate family or primary school records] **valid New Jersey, New York, or Pennsylvania digital driver licenses, digital non-driver ID cards from the New Jersey Motor Vehicle Commission (MVC), or military records indicating a member's age.**

(b)-(c) (No change.)

#### SUBCHAPTER 2. ENROLLMENT AND PURCHASES

##### 17:10-2.1 Enrollment date

**The Chief Justice and associate justices of the State Supreme Court, and all judges of the Superior Court and tax courts of the State of New Jersey are required to become members of the JRS as a condition of employment.** A new appointee to **any** of the [several] **above** courts shall be considered as beginning membership in the Judicial Retirement System on the date of taking the oath of office following confirmation.

#### SUBCHAPTER 3. INSURANCE AND DEATH BENEFITS

##### 17:10-3.4 Survivor benefits

(a) (No change.)

(b) In the instance of survivors of members who die in service, the initial pension payment will be for the month following the month in which the member died, and the last payment will cover the month the survivor dies or ceases to qualify for the continuance of benefits. **In the event that the member has no surviving spouse, civil union partner, domestic partner, child, or parent who is eligible for the survivor benefit; and no other beneficiary designation is in effect at the time of the member's death, the Division shall pay the deceased member's aggregate contributions to the deceased member's estate.**

##### 17:10-3.5 Contributory group life insurance; beneficiary designation

Members enrolled in the contributory group life insurance (Group Term life insurance or Group Variable Universal Life (GVUL) insurance) must designate their beneficiary or beneficiaries directly with the insurance provider. Any change of beneficiary designation for non-contributory group life insurance filed with the Division of Pensions and Benefits shall not [effect] **affect** the beneficiary designation for the contributory group life insurance.

#### SUBCHAPTER 4. MEMBERSHIP

##### 17:10-4.1 Creditable salary (compensation)

(a) **"Compensation" means the base salary for services as a member of the JRS, as defined at N.J.S.A. 43:6A-3f, in accordance with established policies of the State for all employees in the same position.**

[(a)] (b) "Compensation" [or "base salary"] shall not include [retroactive]:

**1. Individual salary adjustments that are granted primarily in anticipation of the member's retirement.**

**2. Retroactive salary adjustments if the increase is not of a normal, overall, published program of increases.**

**3. Bonus or overtime payments; [are not to be considered for such purpose.] or**

**4. Longevity, terminal leave, or vacation payments, [will not be considered] if paid in a lump sum or other than as a regular salary disbursement.**

[(b)] (c) (No change in text.)

##### 17:10-4.5 [Eligible] Purchasing eligible service credit

(a) Only **former** public service in New Jersey may be [established] **purchased for service credit [in the retirement system]. Former non-Judicial Retirement System service will be calculated pursuant to N.J.S.A. 43:6A-14.2.a.**

**(b) Military service after October 13, 1994, that is rendered after Judicial Retirement System enrollment occurs may be purchased in accordance with the requirements of the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).**

##### 17:10-4.8 Minimum adjustment

In order to facilitate the reconciliation of a member's account, no [rebates] **refunds** or additional contributions shall be made where an adjustment involves an amount of [\$10.00] **\$50.00** or less during a calendar quarter.

##### 17:10-4.10 Eligibility for loan

(a) Only active contributing members of the **Judicial Retirement System** may exercise the privilege of obtaining a loan. The member's total outstanding loan balance shall not exceed the lesser of 50 percent of the accumulated deductions posted to the member's account or \$50,000. **The loan is subject to I.R.C. § 72(p) (2007) of the Internal Revenue Code.**

**(b) The rate of interest per annum for loans from the State-administered retirement system shall be a commercially reasonable rate as required by the Internal Revenue Code to be determined by the State Treasurer on January 1 of each calendar year. An administrative fee in an amount set by the State Treasurer for each calendar year may be charged for any loan requested, pursuant to N.J.S.A. 43:6A-34.3.**

**(c) All other statutes and rules governing loans apply, including N.J.S.A. 43:6A-34.4, Repayment of loans after retirement of members of JRS, and N.J.A.C. 17:1-1.9, Bankruptcy; subsequent loans.**

#### SUBCHAPTER 5. RETIREMENT

##### 17:10-5.1 Applications

(a) Applications for retirement must be made on forms prescribed by the **Judicial Retirement System (System)**:

1. (No change.)

2. In the event a member files an incomplete application, the deficiencies shall be brought to such member's attention and such member will be required to file a completed application with the System **within 90 days** to enable acceptance for processing.

3. (No change.)

(b) P.L. 2002, [c.54] **c. 54** provides a [JRS] **Judicial Retirement System** member the option of selecting a reduced retirement benefit in order to provide a monthly survivor benefit to a named beneficiary. This monthly benefit is in addition to and separate from the statutory benefit already in place for a surviving spouse and dependent children. A member shall, on the retirement application, select one of nine ways

(options) to receive retirement benefits. Each option provides the member with a lifetime monthly retirement benefit. Once a retirement benefit becomes due and payable, as defined by N.J.A.C. 17:10-5.3, the option cannot be changed. Except under the Maximum Option and Option 1, once a member designates a beneficiary, that beneficiary cannot be changed. The options are as follow:

1.-9. (No change.)

(c) Before an application for retirement may be processed, the Division must receive proof of the member's age, if none is already in the member's record and proof of the beneficiary's age, if the member elected Option A, B, C, D, 2, 3, or 4.

(d) (No change.)

#### 17:10-5.2 Effective date

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

#### 17:10-5.5 Benefits payable when a member dies with a retirement application pending

Pursuant to N.J.S.A. 43:6A-16.1, the person designated as the beneficiary of an optional settlement on a member's pending retirement application may request, upon the member's death, that the member's retirement and selected option become effective. The surviving beneficiary must request in writing that the State House Commission approve the retirement. If the deceased member failed to select an optional settlement, the State House Commission shall grant an Option 3 settlement.

#### 17:10-5.7 Employer disability application; employee notice

(a) (No change.)

(b) [Appropriate time will be given the] **The member will have six months** to supplement the medical and documentary evidence submitted by the court. **If a member requires additional time to supplement medical and documentary evidence, the member must request an extension of time and provide a sound basis for the request.**

#### 17:10-5.8 Early retirement defined

Retirement on the first of the month [in which] **before** a member attains age 60 shall be classed as "early" retirement, although a reduction is not applied if the member's 60th birthday occurs on or before the 15th of such month.

#### 17:10-5.9 Service retirement; eligibility

A member becomes eligible for "service" retirement on the first of the month following the month in which the member satisfies the conditions of retirement for age and service. [At the election of the member, if] **If** the member's [60th] birthday falls on the first of [a] **the month in which the member becomes eligible for a service retirement under any of the options specified at N.J.S.A. 43:6A-8 and 9**, the retirement shall become effective on that date, provided [the member files a timely retirement application] **it is the retirement date indicated on the member's retirement application.**

### SUBCHAPTER 6. TRANSFERS

#### 17:10-6.1 Interfund transfers; other State systems

(a) (No change.)

(b) **The receipt of a public pension or retirement benefit is expressly conditioned upon the rendering of honorable service by a public officer or employee. Therefore, if the Board or Commission of an employee's former system determines that all or a portion of the employee's prior service is dishonorable, the Board or Commission of the employee's new State-administered retirement system shall disallow the purchase or transfer of that portion of prior service deemed dishonorable.**

[(b)] (c) (No change in text.)

[(c)] (d) The System will transfer membership to any State-administered system as follows:

1. A member[,] desiring to transfer credits to any State-administered retirement system must file an [application for "Transfer of Membership

Credit"] **"Application for Interfund Transfer" within 90 days of the appointment**, in place of the customary application for withdrawal of accumulated contributions. This application will void all possible credit against the present system when approved and the new membership shall commence in the new system.

2.-5. (No change.)

Recodify existing (d) and (e) as **(e) and (f)** (No change in text.)

(a)

## DIVISION OF PROPERTY MANAGEMENT AND CONSTRUCTION

### Classification and Prequalification of Firms

#### Proposed Readoption: N.J.A.C. 17:19

Authorized By: Robert A. Romano, Acting State Treasurer, through Steven M. Sutkin, Director, Division of Property Management and Construction.

Authority: N.J.S.A. 52:34-9.1 et seq. and 52:35-11.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2015-156.

Submit comments by February 5, 2016, to:

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The agency proposal follows:

#### Summary

The Division of Property Management and Construction (DPMC) proposes to readopt N.J.A.C. 17:19, which governs the State's process for classifying and prequalifying firms seeking to contract with the State of New Jersey (the "State") for performance of construction work or rendering of professional design services on State public works projects. Pursuant to N.J.S.A. 52:14B-5.1.c, the rules in this chapter are scheduled to expire October 31, 2015. In accordance with N.J.S.A. 52:14B-5.1.c(2), the submission of this notice of proposal to the Office of Administrative Law extends the expiration date 180 days to April 28, 2016.

The Division has reviewed the rules and determined that they continue to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. Since their initial adoption in 1970, the rules have provided an effective framework to allow the State to fairly and effectively evaluate the financial capacity, experience, and fitness of firms desiring to submit bids for construction work or proposals for professional design services on State public works projects. There is a continued need for such regulations to ensure that the State will accept bids and proposals from only those contractors and design professionals determined to be duly qualified according to the DPMC's objective standards. Therefore, the Acting Treasurer and the Director propose to readopt these rules without amendment.

Through N.J.A.C. 17:19, the Division of Property Management and Construction establishes rules governing the administration of the State's contractor classification and consultant prequalification process. The rules spell out the forms to be used, the DPMC 27 for contractors and Form 48A for consultants, the statements required, and the criteria for evaluation of completed forms. For contractor classification, they describe how performance ratings are developed, the requirements for obtaining a trade classification, as well as the factors considered in calculating the firm's aggregate rating.

The rules enumerate the causes for debarment or suspension of a firm and identify the administrative requirements incident to the decision to debar or suspend. A hearing process is described for those firms that protest bid awards, classification and prequalification determinations,