

CHAPTER 53

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

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

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

C.53:5A-6 Creditable service; purchase of service credit.

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

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

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

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

b. Any member of the retirement system, who, prior to becoming a member, had established service credits in this or another retirement system supported in whole or in part by the State, or who had rendered service to the State prior to becoming a member, or had purchased service credits while in another State-administered retirement system or in the Police and Firemen's Retirement System or the Public Employees' Retirement System, while serving as chief inspector, deputy chief inspector, inspector or special inspector in the Enforcement Bureau, Motor Vehicle Commission, or as a member of the State Capitol Police Force, or as a Supervising Inspector, Principal Inspector, Senior Inspector, Inspector, or Inspector Recruit in the Alcoholic Beverage Control Enforcement Bureau, or as a Principal Marine Law Enforcement Officer, Senior Marine Law Enforcement Officer, or Marine Law Enforcement Officer in the Bureau of Marine Law Enforcement, for which the member desires to establish credit in this retirement system, shall be permitted to purchase such credit, or to transfer such previously purchased credit, by paying into the annuity savings fund the amount required by applying the factor, supplied by the actuary, as being applicable to the member's age at the time

of the transfer or purchase, to the member's salary at that time. Such payment may be made in regular installments equal to at least half of the normal contribution to the retirement system, over a maximum period of 10 years. If such purchased service credit or transferred purchased credit is established, it shall be considered the same as creditable service as a full-time commissioned officer, noncommissioned officer, or trooper rendered as a member.

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

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

d. In computing service, time during which a member was absent on an official leave without pay shall be credited if such leave was for a period of: (1) less than three months; or (2) up to a maximum of two years, if the leave was due to the member's personal illness and the period of leave is allowed for retirement purposes within one year following his return to service after the termination of such leave.

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

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

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

h. Any member of the retirement system who, prior to becoming a member, graduated from the New Jersey State Police Academy or was employed as a class two special law enforcement officer with a public employer in this State, or both, and desires credit for such academy time or employment, or both, shall be eligible to purchase credit for all or a portion of the service rendered while enrolled in the New Jersey State Police Academy or employed as a class two special law enforcement officer, or both; provided, however, that credit for service rendered while enrolled in the New Jersey State Police Academy shall only be eligible for purchase if such service led directly to enrollment in the system. If such credit is established, it shall be considered the same as creditable service as a full-time commissioned officer, noncommissioned officer, or trooper rendered as a member. The member may purchase credit

for the service by paying into the annuity savings fund the amount required by applying the factor, supplied by the actuary as being applicable to the member's age at the time of purchase, to the member's salary at the time, or to the highest annual compensation for service in this State for which contributions were made during any prior fiscal year of membership, whichever is greater. The purchase may be made in regular installments, equal to at least 1/2 of the full normal contribution to the retirement system, over a maximum period of 10 years.

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

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

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

C.53:5A-6.1 Filing of detailed statement of military service; purchase of service credit.

2. A member may file a detailed statement of military service in the Armed Forces of the United States, including any period of enrollment in a military service academy that resulted in attainment of a baccalaureate degree from the military service academy, rendered prior to becoming a member, for which the member desires credit, and of such other facts as the retirement system may require. The member may purchase credit for all or a portion of the service evidenced in the statement up to the nearest number of years and months, but not exceeding 10 years, provided however, that a member purchasing that maximum credit may purchase up to five additional years for additional military service qualifying the member as a veteran as defined in section 3 of P.L.1965, c.89 (C.53:5A-3). If such credit is established, it shall be considered the same as creditable service as a full-time commissioned officer, noncommissioned officer or trooper rendered as a member. No application shall be accepted for the purchase of credit for the service if, at the time of application, the member has a vested right to retirement benefits in another retirement system based in whole or in part upon that service. The member may purchase credit for the service by paying into the annuity savings fund the amount required by applying the factor, supplied by the actuary as being applicable to the member's age at the time of the purchase, to the member's salary at that time, or to the highest annual compensation for service in this State for which contributions were made during any prior fiscal year of membership, whichever is greater. The purchase may be made in regular installments, equal to at least 1/2 of the full normal contribution to the retirement system, over a maximum period of 10 years.

The employer of a member who applies, pursuant to this section, to purchase credit for military service in the Armed Forces of the United States, including any period of enrollment in a military service academy that resulted in attainment of a baccalaureate degree from the military service academy, shall not be liable for any payment to the retirement system on behalf of the member for the purchase of this credit. The Adjutant General of the Department of

Military and Veterans' Affairs shall be responsible for determining whether any person seeking to be considered a "veteran" under section 3 of P.L.1965, c.89 (C.53:5A-3), for the purpose of purchasing military service credit, meets the criteria set forth therein and adjudicating an appeal from any person disputing this determination. The determination of the Adjutant General shall be binding upon the Division of Pensions and Benefits.

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

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

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

3. This act shall take effect immediately.

Approved May 8, 2025.