

August 3, 1959

HONORABLE JOHN A. KERVICK
State Treasurer
State House
Trenton, New Jersey

MEMORANDUM OPINION 1959—P-17

DEAR MR. KERVICK:

You have requested our opinion with regard to the date upon which the contributory insurance coverage provided for in L. 1955, c. 37, §53, as amended by L. 1956, c. 145, §14 (N.J.S.A. 18:13-112.55) becomes effective with respect to new members of the Teachers' Pension and Annuity Fund.

Pursuant to N.J.S.A. 18:13-112.55 (j) the contributory insurance benefits could not go into effect until a required percentage of members applied for such coverage. You advise that by December of 1957 a sufficient number of employees had applied and consequently the Board of Trustees entered into an insurance agreement with the Prudential Insurance Company of America for the purchase of this group insurance coverage. N.J.S.A. 18:13-112.78. This policy became effective January 1, 1958.

N.J.S.A. 18:13-112.55 (a) makes eligible for the purchase of such additional insurance each person who becomes a member of the Teachers' Pension and Annuity Fund provided such person selects this additional coverage within one year after the effective date of his or her membership. N.J.S.A. 18:13-112.55 (k) requires contributory insurance coverage for all new members eligible for such coverage for the first year of their membership. This section reads as follows:

"Any person becoming a member of the retirement system after the benefits provided under this section shall have come into effect, who is, by sex or other characteristic, within the grouping to which the additional death benefit coverage under this section is applicable, for the first year of his membership in the retirement system shall be covered by the additional death benefit coverage provisions of this section with the benefit in the event of death, in the first year of membership only, being based upon contractual salary instead of compensation actually received and shall make contributions as fixed by the board of trustees during such period. Such member shall have the right to continue to be covered by the benefits of this section and to contribute therefor after his first year of membership has been completed. This sub-section shall not apply in the case of such a member who has already attained his sixtieth birthday prior to becoming a member of the retirement system unless he shall furnish satisfactory evidence of insurability at the time of becoming a member."

In addition, the Group Insurance Policy with the Prudential Insurance Company of America specifically provides in paragraph 2 of the section "Insured Individuals" that:

"Except as provided in sub-section C below, each person becoming a Member of the retirement system after the Policy Date shall automatically become insured for the contributory insurance provided under this Policy from the date he becomes a Member."

L. 1955, c. 37, §4 as amended by L. 1956, c. 145, §1 (N.J.S.A. 18:13-112.6) provides that the membership of the retirement system shall consist, among others, of "any person becoming a teacher on or after the effective date of this act . . .". In Formal Opinion No. 18 (1957) we construed similar language contained in the Public Employees' Retirement-Social Security Integration Act (L. 1954, c. 84, §7 as amended) to mean that membership in the retirement system was compulsory upon commencement of employment. We reiterate that opinion with respect to the provisions of N.J.S.A. 18:13-112.6.

Therefore, since contributory insurance coverage of a new member is required from the date of membership in the retirement system and such membership commences upon the date of employment, the contributory insurance coverage provided for in N.J.S.A. 18:13-112.55 becomes effective with respect to a new member of the retirement system on the date of such person's commencement of employment.

Very truly yours,

DAVID D. FURMAN
Attorney General

By: JUNE STRELECKI
Deputy Attorney General

AUGUST 26, 1959

HONORABLE NED J. PARSEKIAN
Acting Director
Division of Motor Vehicles
Trenton, New Jersey

MEMORANDUM OPINION 1959—P-18

DEAR DIRECTOR:

You have sought my opinion as to whether you are authorized to charge a fee of \$10.00 to members of the medical profession who apply for registration plates with the identifying letters MD. The applicable statute is Chapter 56 of the Laws of 1959, which provides:

"The Director of the Division of Motor Vehicles is hereby authorized to issue upon application, registration plates of a particular identifying mark or marks to be displayed as provided in section 39:3-33 of the Revised Statutes, composed of such combination of letters and figures, in accordance with the identification system as may be requested in such application provided that the particular identifying mark so requested is not then issued to and held by some other person or otherwise reserved by the director.

"The director is authorized to charge an additional fee for the issuance of such particular identifying mark in such amount as he may fix from time to time but not in excess of \$10.00, and the amount of such fee shall accompany the application."